

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF OHIO  
EASTERN DIVISION

_____	)	
UNITED STATES OF AMERICA	)	
	)	
	)	
Plaintiff,	)	
	)	
v.	)	Civil Action No. _____
	)	
WCI STEEL, INC.	)	
	)	
Defendant.	)	
_____	)	

CONSENT DECREE

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I. BACKGROUND

A. WHEREAS, the United States of America ("United States"), on behalf of the Administrator of the United States Environmental Protection Agency ("EPA"), filed a Complaint in this matter pursuant to Section 7003(a) of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and the Hazardous and Solid Waste Amendments of 1984 ("RCRA"), 42 U.S.C. § 6973(a).

B. WHEREAS, the United States in its Complaint seeks, inter alia: (1) an order from this Court requiring that WCI Steel, Inc. ("WCI", "Reorganized WCI", or "Settling Defendant") comply with a Unilateral Administrative Order, as amended, issued by EPA to the former WCI Steel, Inc. ("Debtor WCI") pursuant to RCRA Section 7003(a), 42 U.S.C. § 6973(a) ("RCRA 7003 Order"), which in turn required that Debtor WCI undertake specified measures to address risk to human health and the environment at its steelmaking facility located at 1040 Pine Avenue, S.E., Warren, Ohio ("WCI Facility" or "Facility"); and (2) civil penalties for violations of the RCRA 7003 Order.

C. WHEREAS, in accordance with Section 7003 of RCRA, 42 U.S.C. § 6973, EPA notified the State of Ohio (the "State") of the issuance of the RCRA 7003 Order; and EPA has provided notice of the filing of this civil action to the State.

D. WHEREAS, the Settling Defendant is a corporation doing business in the State of Ohio and is incorporated under the laws of the State of Delaware, and is a "person" as defined in § 1004(15) of RCRA, 42 U.S.C. § 6903(15).

E. WHEREAS, on September 16, 2003, Debtor WCI, along with several related entities (collectively, the "Debtors"), filed for protection pursuant to Chapter 11 of the United

States Bankruptcy Code, 11 U.S.C. § 1101 et seq., in the Bankruptcy Court for the Northern District of Ohio (“Bankruptcy Case”).

F. WHEREAS, on March 9, 2004, the United States, on behalf of EPA, filed a Proof of Claim in the Bankruptcy Case for civil penalties with respect to alleged pre-petition violations by Debtor WCI of the RCRA 7003 Order (“Proof of Claim”).

G. WHEREAS, on April 14, 2004, the Debtors objected to the Proof of Claim and on April 26, 2004, the United States, on behalf of EPA, filed a response to the Debtors’ objection.

H. WHEREAS, on April 24, 2006, the United States, on behalf of EPA, filed an Application (Proof of Claim) for Payment of Administrative Expense Claim (“Administrative Proof of Claim”) in the Bankruptcy Case for civil penalties for alleged post-petition violations of the RCRA 7003 Order by Debtor WCI.

I. WHEREAS, effective May 1, 2006, Reorganized WCI became the owner and operator of the WCI Facility pursuant to Debtor WCI’s Plan of Reorganization approved by the Bankruptcy Court by Order dated March 3, 2006.

J. WHEREAS, on May 31, 2006, the Settling Defendant objected to the Administrative Proof of Claim and on June 9, 2006, the United States, on behalf of EPA, filed a response to the Settling Defendant’s objection.

K. WHEREAS, neither the Proof of Claim nor the Administrative Proof of Claim has been adjudicated by the Bankruptcy Court.

L. WHEREAS, the Settling Defendant currently owns and operates the Facility, and Debtor WCI previously owned and operated the Facility from 1988 until May 1, 2006.

M. WHEREAS, the United States and the Settling Defendant (the “Parties”) have agreed that settlement of this action is in the best interest of the Parties and in the public interest and have further agreed that entry of this Consent Decree without further litigation is the most appropriate means of resolving this matter.

N. WHEREAS, the Parties intend to resolve all civil penalty claims with respect to this matter through the date of the Court’s approval of this Consent Decree, including the civil penalties sought in the Proof of Claim and Administrative Proof of Claim, and as set forth in the Complaint.

O. WHEREAS, the Settling Defendant has entered into this Consent Decree without admitting any liability to Plaintiff arising out of the transactions or occurrences alleged in the Complaint.

P. WHEREAS, the Parties agree, and this Court by entering this Consent Decree finds, that this Consent Decree has been negotiated by the Parties in good faith, that settlement of this matter will avoid prolonged and complicated litigation between the Parties, and that this Consent Decree is fair, reasonable, and in the public interest.

THEREFORE, with the consent of the Parties to this Decree, it is ORDERED, ADJUDGED, AND DECREED:

## II. JURISDICTION

1. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331, 1334, 1345, and 1355, and Section 7003 of RCRA, 42 U.S.C. § 6973. This Court also has personal jurisdiction over the Parties to this action.

2. Solely for the purposes of this Consent Decree and the underlying Complaint, the Settling Defendant waives all objections and defenses that it may have to jurisdiction of the Court or to venue in this District, and shall not challenge the terms of this Consent Decree or this Court's jurisdiction to enter and enforce this Consent Decree.

### III. PARTIES BOUND

3. This Consent Decree, upon entry, applies to and is binding upon the United States and upon the Settling Defendant and any successor or other entities or persons otherwise bound by law. Any change in ownership or corporate status of the Settling Defendant, including, but not limited to, any transfer of assets or real or personal property, shall in no way alter the Settling Defendant's responsibilities under this Consent Decree.

4. The Settling Defendant shall provide a copy of this Consent Decree to any subsequent owners or successors before a controlling interest in ownership rights, stock, assets or the Facility is transferred. The Settling Defendant shall be responsible for completing all of the activities required pursuant to this Consent Decree, regardless of whether there has been a transfer of ownership or control of the Facility or whether said activities are to be performed by employees, agents, contractors, subcontractors, laboratories, or consultants of the Settling Defendant.

5. Prior to retaining any contractor to perform any portion of the Work required to be performed pursuant to Paragraph 11 of this Consent Decree, the Settling Defendant shall provide a copy of this Consent Decree to such contractor, and shall condition all contracts or agreements with such a contractor on compliance with the terms of the Consent Decree. The Settling Defendant shall ensure that such contractors comply with this Consent Decree.

6. The Settling Defendant shall notify EPA of any voluntary transfer of ownership or operation of the Facility to any other person not later than thirty (30) days prior to any voluntary transfer. The Settling Defendant shall notify EPA of any involuntary transfers of ownership or operation of the Facility within seven (7) working days of the Settling Defendant's initial receipt of written notice of any involuntary transfer. The Settling Defendant shall submit copies of the transfer documents to EPA within three (3) working days after any such involuntary transfer or after the Settling Defendant first has knowledge of such transfer, whichever occurs later.

#### IV. DEFINITIONS

7. Unless otherwise expressly provided herein, terms used in this Consent Decree which are defined in RCRA shall have the meaning assigned to them in RCRA. Whenever terms listed below are used in this Consent Decree, the following definitions apply:

a. "Administrative Proof of Claim" shall mean the claim of the United States submitted in the Bankruptcy Case for post-petition penalties for alleged violations of the RCRA 7003 Order by Debtor WCI.

b. "Bankruptcy Court" shall mean any United States District Court for the Northern District of Ohio having jurisdiction over the Bankruptcy Case or relevant civil proceedings and, to the extent of any reference made under 28 U.S.C. § 157, the unit of such District Court having jurisdiction over the Bankruptcy Case or relevant civil proceedings under 28 U.S.C. § 151.

c. "Bankruptcy Case" shall mean the cases filed by Debtor WCI and certain of its affiliates in the Bankruptcy Court pursuant to Chapter 11 of the United States Bankruptcy



Code (jointly administered Case No. 03-44662, later re-numbered as jointly administered Case No. 05-81439).

d. “Complaint” shall mean the Complaint filed by the United States in this proceeding.

e. “Consent Decree” means this Decree, all appendices attached hereto, and all plans approved or modified by EPA pursuant to Section VI (Submissions Requiring Agency Approval). In the event of conflict between this Decree and any appendix, this Decree shall control.

f. “Day” shall mean a calendar day unless expressly stated to be a working day. “Working day” shall mean a day other than a Saturday, Sunday, or Federal holiday. In computing any period of time under this Consent Decree, where the last day would fall on a Saturday, Sunday, or Federal holiday, the period shall run until the close of business of the next working day.

g. “Debtor WCI” shall mean the former WCI Steel, Inc., an Ohio corporation, which filed for Chapter 11 bankruptcy protection on September 16, 2003, and which previously owned and operated the WCI Facility from 1988 until the transfer of the Facility to Reorganized WCI effective May 1, 2006, pursuant to the approved Plan of Reorganization in the Bankruptcy Case.

h. “Effective Date” shall be the effective date of this Consent Decree as provided in Paragraph 65.

i. “EPA” means the U.S. Environmental Protection Agency.

j. “Facility” shall mean the WCI Steel, Inc., facility, located at 1040 Pine Avenue, S.E., in Warren, Trumbull County, Ohio (a portion of which is depicted in Appendix B).

k. “Interest” shall mean interest at the rate specified for a money judgment in a civil case recovered in a district court pursuant to 28 U.S.C. § 1961.

l. “Parties” means the United States and the Settling Defendant.

m. “Paragraph” shall mean a portion of this Consent Decree identified by an arabic numeral or an upper case letter.

n. “Plaintiff” shall mean the United States.

o. “Post-petition” refers to the time period from September 16, 2003 until May 1, 2006, the effective date of the WCI reorganization in the Bankruptcy Case.

p. “Pre-petition” refers to the time period prior to September 16, 2003.

q. “Proof of Claim” shall mean the claim of the United States submitted in the Bankruptcy Case for pre-petition penalties for alleged violation of the RCRA 7003 Order by Debtor WCI.

r. “RCRA” shall mean the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. § 6901 et seq.

s. “RCRA 7003 Order” shall mean the administrative order issued to WCI Steel, Inc., under Section 7003(a) of RCRA, 42 U.S.C. § 6973(a), on September 17, 2002, and as amended on January 21, 2003.

t. “Reorganized WCI” shall mean WCI Steel, Inc. as reorganized effective May 1, 2006, pursuant to the Bankruptcy Case.

u. "Section" shall mean a portion of this Consent Decree identified by a Roman numeral.

v. "Settling Defendant" shall mean Reorganized WCI.

w. "Statement of Work" or "SOW" shall mean the Statement of Work that is attached to this Consent Decree as Appendix A to this Consent Decree and any modifications thereto made in accordance with this Consent Decree.

x. "United States" shall mean the United States of America.

y. "WCI Impoundments" shall mean those eleven former and existing surface impoundments and/or sludge containment areas located at the Facility that were or are referred to by EPA and WCI as: #6A Ponds North and South; #6 Pond; #5 Pond; #5A Sludge Containment; #5B Sludge Containment; #5C Sludge/Scum Containment; #5D Sludge/Scum Containment; Pad Sludge Containment; 56" Hot Mill Lagoon; 56" Sludge Containment A; and 56" Sludge Containment B.

z. "WCI" shall mean Reorganized WCI.

aa. "Work" shall mean all the activities and tasks specified in this Consent Decree including, but not limited to, the SOW provided as Appendix A to this Consent Decree and Section V (Performance of The Work By Settling Defendant) of this Consent Decree.

#### V. PERFORMANCE OF THE WORK BY SETTLING DEFENDANT

8. The Settling Defendant shall finance and perform (directly or through contractors) the Work in accordance with this Consent Decree, the SOW, and all work plans and other plans, specifications, and schedules set forth herein or approved pursuant to this Consent Decree, including any modifications thereto.

9. Project Coordinators.

a. WCI Project Coordinator. The WCI Project Coordinator will be Thomas O. Shepker, Manager of Environmental Affairs, WCI Steel, Inc., 1040 Pine Avenue, S.E., Warren, Ohio, 44483, (330) 841-8200, toshepker@wcisteel.com. All aspects of the Work to be performed by the Settling Defendant pursuant to Section V (Performance of The Work By Settling Defendant) of this Consent Decree shall be under the direction and supervision of the WCI Project Coordinator. The Alternate WCI Project Coordinator, with the responsibility of directing and supervising the Work to be performed pursuant to Section V when the WCI Project Coordinator is not available, will be Dale W. Musolf, Manager of Engineering, WCI Steel Inc., 1040 Pine Avenue, S.E., Warren, Ohio, 44483, (330) 841-8156, dwmusolf@wcisteel.com.

b. If the Settling Defendant wishes to designate a different WCI Project Coordinator (or Alternate WCI Project Coordinator) after the Effective Date of this Consent Decree, the Settling Defendant shall give advance written notice to EPA of such individual's name, title, address, telephone number, qualifications, and email address. The Settling Defendant must obtain EPA's authorization for any new WCI Project Coordinator (or Alternate WCI Project Coordinator). Within ten (10) days of receipt of notice from the Settling Defendant, EPA shall issue a disapproval or an authorization to proceed, in writing, with respect to any proposed new WCI Project Coordinator (or Alternate WCI Project Coordinator). EPA's failure to issue a written disapproval or authorization to proceed within ten (10) days of receipt of notice from the Settling Defendant shall be deemed an approval and authorization to proceed with the proposed new WCI Project Coordinator (or Alternate WCI Project Coordinator). Within five (5) days of receipt of EPA's disapproval of any proposed WCI Project Coordinator (or Alternate

WCI Project Coordinator), the Settling Defendant shall submit to EPA a list of alternative proposed individuals, including the qualifications of each. EPA will provide written notice of the names of any proposed WCI Project Coordinators (or Alternate WCI Project Coordinators) that it disapproves and an authorization to proceed with respect to any of the other proposed WCI Project Coordinators (or Alternate WCI Project Coordinators). The Settling Defendant may select any individual from that list who is not disapproved and shall notify EPA of the name of the individual selected within five (5) days of receipt of EPA's authorization to proceed. EPA's failure to issue a written approval or authorization to proceed within ten (10) days of receipt of the list of alternate proposed individuals shall be deemed an approval and authorization to proceed with respect to any of the proposed individuals.

c. EPA Project Coordinator. The EPA Project Coordinator will be Michael Beedle, Environmental Scientist, 77 West Jackson Blvd. (DE-9J), Chicago, Illinois, 60606, (312) 353-7922, beedle.michael@epa.gov. EPA may also designate an Alternate EPA Project Coordinator, whose name, title, address, telephone number, and email address will be provided to the Settling Defendant in writing by EPA. If EPA wishes to designate a different EPA Project Coordinator (or Alternate EPA Project Coordinator) at any time after the Effective Date of this Consent Decree, EPA shall give advance written notice to the Settling Defendant of such individual's name, title, address, telephone number, and email address. The EPA Project Coordinator shall be EPA's designated representative for the Facility.

10. Wildlife Expert.

a. The Settling Defendant has retained the two individuals identified below to serve as the Wildlife Expert for purposes of implementing certain aspects of this Consent Decree.

Dr. Paul G. Rodewald  
Assistant Professor  
The Ohio State University  
School of Environment and Natural Resources  
2021 Coffey Road  
Columbus, Ohio 43210-1085

In the event of Dr. Rodewald's unavailability:

Dr. Robert J. Gates  
Associate Professor  
The Ohio State University  
School of Environment and Natural Resources  
2021 Coffey Road  
Columbus, Ohio 43210-1085

Specifically, the Wildlife Expert shall be responsible for conducting the Monthly Wildlife Surveys in accordance with Appendix A, Section II, Task 1. In addition, the Wildlife Expert shall provide general assistance (including, but not limited to, initial training and regular oversight) to the Settling Defendant with respect to the Daily Wildlife Inspections and Weekly Wildlife Deterrent Inspections in accordance with Appendix A, Section II, Task 1, and the implementation of Deterrent Measures in accordance with Appendix A, Section II, Tasks 2 and 3.

b. If the Settling Defendant wishes to change the Wildlife Expert after the Effective Date of this Consent Decree, the Settling Defendant shall give advance written notice to EPA of the proposed change, including the proposed new Wildlife Expert's name, title and qualifications. The Settling Defendant must obtain EPA's authorization for any new Wildlife

Expert. EPA shall issue a disapproval or an authorization to proceed, in writing, with respect to any proposed new Wildlife Expert. EPA's failure to issue a written disapproval or authorization to proceed within twenty-one (21) days of receipt of notice from the Settling Defendant shall be deemed an approval and authorization to proceed with the proposed new Wildlife Expert.

Within fourteen (14) days of receipt of any disapproval of a proposed new Wildlife Expert by EPA, the Settling Defendant shall submit to EPA a list of alternate proposed new Wildlife Experts, including the qualifications of each. Within twenty-one (21) days of receipt of the list of alternate proposed Wildlife Experts, EPA will provide written notice of the names of any proposed new Wildlife Expert(s) that it disapproves and an authorization to proceed with respect to any of the other proposed new Wildlife Expert(s). The Settling Defendant may select any new Wildlife Expert from that list that is not disapproved and shall notify EPA of the name of the new Wildlife Expert selected within ten (10) days of receipt of EPA's authorization to proceed. EPA's failure to issue a written disapproval or authorization to proceed within twenty-one (21) days of receipt of the list of alternate proposed new Wildlife Experts shall be deemed an approval and authorization to proceed with respect to any of the proposed new Wildlife Experts.

11. The Work to Be Performed

a. The Work to be performed is outlined in Appendix A, Statement of Work, which is hereby incorporated into this Consent Decree by reference. The major areas of the Work include, but are not limited to, the following:

i. Implementation of monitoring and reporting requirements in accordance with Appendix A, Section II, Task 1;

ii. Implementation of interim measures at the Facility's 56" Hot Mill Lagoon, #5 Pond, and #5A Sludge Containment in accordance with Appendix A, Section II, Tasks 2 and 3. Such interim measures shall remain in place at the Facility's #5 Pond and #5A Sludge Containment until the final measures at each such impoundment are implemented;

iii. Implementation of the final measures at, and related to, the Facility's 56" Hot Mill Lagoon in accordance with Appendix A, Section II, Tasks 6 and 7;

iv. Implementation of final measures at the Facility's #5 Pond in accordance with Appendix A, Section II, Tasks 4 and 5; and

v. Implementation of final measures at the Facility's #5A Sludge Containment in accordance with Appendix A, Section II, Task 4.

b. The Settling Defendant shall undertake and complete all of the Work in accordance with the terms and conditions of this Consent Decree and in compliance with applicable EPA regulations, guidance, and policies. All of the Work provided for under this Consent Decree shall be performed under the direction and supervision of the WCI Project Coordinator.

c. Except where otherwise stated in this Consent Decree, the Settling Defendant's obligation to perform the Work will begin on the Effective Date of this Consent Decree.

12. In addition to the Work required by this Consent Decree, the Settling Defendant will not handle, store, treat, or dispose of oily waste in the following impoundments at the Facility at any time after the Effective Date of this Consent Decree: #5B Sludge Containment;



#5C Sludge/Scum Containment; #5D Sludge/Scum Containment; Pad Sludge Containment; #6 Pond, #6A Ponds North and South, 56" Sludge Containment A; and, 56" Sludge Containment B.

VI. SUBMISSIONS REQUIRING AGENCY APPROVAL

13. After review of any plan, report, or other item which is required to be submitted for approval pursuant to this Consent Decree, EPA shall in writing: (a) approve, in whole or in part, the submission; (b) approve the submission upon specified conditions; (c) modify the submission to cure the deficiencies; (d) disapprove, in whole or in part, the submission, directing that the Settling Defendant modify the submission; or (e) any combination of the above. If EPA disapproves the submission, in whole or in part, EPA shall notify the Settling Defendant in writing of those portions of the submission that EPA has determined warrant disapproval and the reasons for such disapproval.

14. In the event of approval, approval upon conditions, or modification by EPA, the Settling Defendant shall proceed to take any action required by the plan, report, or other item, as approved or modified by EPA subject to its right to invoke the Dispute Resolution procedures set forth in Section XIV (Dispute Resolution) with respect to the modifications or conditions made by EPA.

15. a. Within twenty-one (21) days of receipt of a notice of disapproval pursuant to Paragraph 13(d), the Settling Defendant shall correct the deficiencies and resubmit the plan, report, or other item for approval, subject to its right to invoke the Dispute Resolution procedures set forth in Section XIV (Dispute Resolution).

b. Notwithstanding the receipt of a notice of disapproval pursuant to Paragraph 13(d), the Settling Defendant shall proceed, at the direction of EPA, to take any action

required by any non-deficient portion of the submission, unless the action required by the non-deficient portion of the plan depends on completion of actions required under the deficient portion of the plan.

16. In the event that a resubmitted plan, report, or other item, or portion thereof, is disapproved by EPA, EPA may again require the Settling Defendant to correct the deficiencies, in accordance with the preceding Paragraphs. EPA may also amend or develop the plan, report, or other item. The Settling Defendant shall implement any such plan, report, or item as amended or developed by EPA, subject to its right to invoke the procedures set forth in Section XIV (Dispute Resolution).

17. All plans, reports, and other items required to be submitted to EPA under this Consent Decree shall, upon approval or modification by EPA, be enforceable under this Consent Decree. In the event EPA approves or modifies a portion of a plan, report, or other item required to be submitted to EPA under this Consent Decree, the approved or modified portion shall be enforceable under this Consent Decree subject to the Settling Defendant's right to invoke the procedures set forth in Section XIV (Dispute Resolution).

#### VII. DOCUMENT CERTIFICATION

18. Any report or other document submitted by the Settling Defendant pursuant to this Consent Decree which makes any representation concerning the Settling Defendant's compliance or noncompliance with any requirement of this Consent Decree shall be certified by a "responsible employee or official" of the Settling Defendant. The term "responsible employee or official" shall mean: a president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, any other person who performs similar policy or

decision-making functions for the corporation, the manager of the Facility (plant manager), or an employee having overall responsibility for environmental matters for the company.

19. The certification required by Paragraph 18, above, shall be in the following form:

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

20. Compliance with the reporting and notification requirements of this Consent Decree shall not relieve the Settling Defendant of its obligation to comply with any other reporting and notification requirements imposed by any applicable federal, state, or local laws, regulations, or permits.

#### VIII. ACCESS AND DATA AVAILABILITY

21. The Settling Defendant shall allow EPA or its representatives, contractors, and consultants and attorneys for the United States to enter any facility covered by this Consent Decree, at all reasonable times, upon presentation of credentials to the manager or managers of the Facility or, in the manager's absence, to the highest ranking employee present on the premises for the purposes of:

- a. monitoring the progress of activities required by this Consent Decree;
- b. verifying any data or information submitted to EPA in accordance with the terms of the Consent Decree;
- c. assessing the Settling Defendant's compliance with this Consent Decree, including carrying out any inspections and conducting any sampling or tests that EPA believes are necessary to ensure compliance with this Consent Decree; and/or
- d. reviewing records and documents in the possession or control of the Settling Defendant that are required to be created or maintained pursuant to the Consent Decree or that relate to the purposes set forth in subparagraphs (a), (b) or (c) above, subject to the provisions of Paragraph 25.

22. The provisions in Paragraph 21 in no way affect or reduce any rights of entry or inspection that the United States has under any law or regulation.

23. All results of sampling, testing, and modeling or other data required to be generated by the Settling Defendant, or on the Settling Defendant's behalf, pursuant to this Consent Decree shall be validated (if appropriate for the particular type of data) and submitted to EPA, along with raw data if requested, within thirty (30) days of the Settling Defendant's receipt of the validated data.

24. The Settling Defendant shall orally notify EPA at least twenty-one (21) days prior to conducting any field sampling (excluding vapor sampling at Pond #5, which shall not require advance notice but results of which shall be furnished to EPA within thirty (30) days of sampling) required under this Consent Decree. At EPA's request, the Settling Defendant shall allow split or duplicate samples to be taken by EPA or EPA's representative.

25. All records and documents described in Paragraph 21(d) above shall be made available to EPA upon request, at the Facility, unless the Settling Defendant, subject to the limitations of Paragraph 26 below, asserts a claim that such documents are legally privileged from disclosure. The Settling Defendant shall have the burden of demonstrating that such privilege exists. All records and documents that are required to be created or maintained pursuant to the Consent Decree shall be kept, during the pendency of this Consent Decree, at the Facility in a location accessible to the WCI Project Coordinator to ensure availability for review by EPA (or its representatives) in accordance with Paragraph 21(d).

26. No claim of confidentiality or privilege shall be made with respect to any data, (including, but not limited to, all sampling, analytical, monitoring, hydrogeologic, scientific, chemical, or engineering data), or with respect to any documents and information, including raw data, required to be prepared or recorded under this Consent Decree, together with documentation of the research and data used to generate such documents or information.

#### IX. COMPLIANCE WITH OTHER LAWS

27. The Settling Defendant shall perform all actions required pursuant to this Consent Decree in accordance with all applicable local, state, and federal laws and regulations. The Settling Defendant shall obtain or cause its representatives to obtain all permits and approvals necessary under such laws and regulations in a timely manner so as not to delay the Work required by this Consent Decree.

#### X. RECORD RETENTION

28. The Settling Defendant shall preserve and maintain for a minimum of five (5) years following completion of the Work required by this Consent Decree at least one legible copy

of all documents (excluding non-final drafts) and information, including raw data, required to be prepared or recorded under this Consent Decree, together with documentation of the research and data used to generate such documents or information.

29. The Settling Defendant shall acquire and retain copies of all documents it is required to maintain under Paragraph 28 that are in the possession of its employees, agents, accountants, contractors, or attorneys (should it not have possession of a copy of such documents).

30. After the five (5) year retention period and ninety (90) days before any document or information is destroyed, the Settling Defendant shall notify EPA that such documents and information are available to EPA for inspection, and, upon request, shall provide the originals or (at the Settling Defendant's election and at no extra cost to EPA) copies of such documents and information to EPA. Notification shall be in writing and shall reference the Effective Date, caption, and docket number of this Consent Decree and shall be addressed to the Chief, Enforcement & Compliance Assurance Branch, Waste, Pesticides and Toxics Division of EPA Region 5. In addition, the Settling Defendant shall provide documents and information retained under this Section at any time before expiration of the five (5) year retention period at the written request of EPA.

#### XI. CIVIL PENALTIES

31. In addition to the Work required in this Consent Decree, the Settling Defendant will pay a civil penalty to the United States in an amount of \$620,000 in accordance with the following procedure. The civil penalty shall be paid through the resolution in the Bankruptcy Case of both the United States' Proof of Claim and Administrative Proof of Claim. In full

settlement of the United States' Proof of Claim, and covering all claims for penalties relating to pre-petition violations by Debtor WCI of the RCRA 7003 Order, the United States shall have an Allowed Unsecured Claim (Class 7) in the amount of \$129,900.00 in the Bankruptcy Case. The United States' Allowed Unsecured Claim shall receive distributions as an Allowed Class 7 Unsecured Claim according to the provisions of the Consensual Modified Plan of Reorganization confirmed by the Bankruptcy Court dated March 27, 2006 (as amended, the "Consensual Modified Plan") which shall be \$28,580.00 (22% of the amount of \$129,900.00). In addition, in full settlement of the United States' Administrative Proof of Claim and covering all claims for penalties relating to post-petition violations by Debtor WCI of the RCRA 7003 Order, the United States shall have an Allowed Priority Claim in the amount of \$591,420.00 in the Bankruptcy Case. The United States' Allowed Priority Claim shall receive distributions as an Allowed Class 1 Priority Claim in accordance with the provisions of the Consensual Modified Plan which provides for payment in full of the amount of \$591,420.00. Within ten (10) days of the lodging of this Consent Decree, the Settling Defendant (on behalf of Debtor WCI) shall submit to the Bankruptcy Court in the Bankruptcy Case an application (or other appropriate document or pleading) seeking the Bankruptcy Court's approval of the allowance of, and distributions on, the claims of the United States of the amounts set forth above and thereafter shall take all necessary actions to obtain Bankruptcy Court approval of the allowance and distributions specified above which shall represent a total payment of \$620,000.00. The Settling Defendant's obligation to make payments of \$620,000.00 shall not be effective until the Bankruptcy Court has approved the allowance and distributions and this Consent Decree has been entered.

32. Within thirty (30) days after Bankruptcy Court approval of the allowance and distributions described in Paragraph 31 and entry of this Consent Decree, whichever occurs later, the Settling Defendant shall make payments of the \$620,000.00 by Fed Wire Electronic Funds Transfer ("EFT") to the Department of Justice Lockbox Bank, in accordance with specific instructions to be provided to the Settling Defendant by the United States Attorney's Office, Financial Litigation Unit, following entry of this Consent Decree, and shall reference DOJ Case No. 90-5-1-1-5027/1, the Civil Action Number assigned to this case by the United States District Court, Northern District of Ohio, and U.S.A.O. File No. 2006V02750. The costs of such electronic funds transfer shall be the responsibility of the Settling Defendant. The Settling Defendant shall advise the Financial Litigation Unit of the United States Attorney's Office for the Northern District of Ohio at the time payment is being wire-transferred to the Lockbox Bank. In addition, the Settling Defendant shall confirm to EPA and the Department of Justice that payment has been made by providing notice in the manner specified in Section XVIII (Notices and Submissions), below.

33. Civil penalties paid pursuant to this Consent Decree shall not be deductible for purposes of Federal taxes.

## XII. INDEMNIFICATION

34. The Settling Defendant agrees to indemnify, save, and hold harmless the United States, its officials, agents, contractors, employees, and representatives from any and all claims or causes of action: (a) arising from, or on account of, acts or omissions of the Settling Defendant, the Settling Defendant's directors, officers, employees, agents, successors, assigns, heirs, trustees, receivers, contractors, or consultants in carrying out actions pursuant to this Consent Decree; and



(b) for damages or reimbursement arising from or on account of any contract, agreement, or arrangement between the Settling Defendant and any persons for performance of the Work on or relating to the Facility, including claims on account of construction delays.

### XIII. FORCE MAJEURE

35. For purposes of this Consent Decree, a force majeure event is defined as any event arising from causes beyond the control of the Settling Defendant, or any entity controlled by the Settling Defendant or the Settling Defendant's contractors, that could not have been prevented by due diligence and that delays or prevents performance of any obligation under this Consent Decree. Depending on the circumstances and the Settling Defendant's response to such circumstances, the failure of EPA to provide timely written notice of its authorization to proceed or disapproval of a plan or submittal required to be submitted for approval pursuant to this Consent Decree may constitute a force majeure event where the Settling Defendant has taken all steps available to acquire such approval and such inaction prevents or will prevent the Settling Defendant from meeting one or more deadlines under this Consent Decree. Force majeure does not include financial inability to complete the Work, increased cost of performance, or changes in the Settling Defendant's business or economic circumstances.

36. If any event occurs or has occurred that may delay or prevent the performance of any obligation under this Consent Decree, whether or not caused by an event subject to a claim of force majeure pursuant to Paragraph 35, the Settling Defendant shall notify EPA in writing within ten (10) days of when the Settling Defendant knew or should have known that the event is likely to cause a delay. Such notice shall: (1) identify the event causing the delay, or anticipated to cause delay, and the anticipated duration of the delay; (2) provide the Settling Defendant's

rationale for attributing such delay to a force majeure event; (3) state the measures taken or to be taken to prevent or minimize the delay; and (4) estimate the timetable for implementation of those measures. The Settling Defendant shall exercise due diligence to avoid and minimize the delay. Failure by the Settling Defendant to comply with the notice provision of this Paragraph shall constitute a waiver of the Settling Defendant's right to invoke the force majeure provisions of this Section as a basis for delay of or non-performance under this Consent Decree. The Settling Defendant shall be deemed to have notice of any circumstances of which its contractors had or should have had notice.

37. If EPA agrees that the delay or anticipated delay is attributable to a force majeure event, the time for performance of the obligations under this Consent Decree that are affected by the force majeure event will be extended by EPA for such time as is necessary to complete those obligations, and stipulated penalties shall not be due for said delay. An extension of the time for performance of the obligations affected by the force majeure event shall not, of itself, extend the time for performance of any other obligation. EPA shall notify the Settling Defendant in writing of EPA's agreement or disagreement with the Settling Defendant's claim of force majeure within thirty (30) days of receipt of the Settling Defendant's notice under Paragraph 36 in the event such notice contains the Settling Defendant's rationale for attributing such delay to a force majeure event. If EPA agrees that the delay is attributable to a force majeure event, EPA's written notice to the Settling Defendant shall include the length of the extension of time, if any, for performance of the obligations affected by the force majeure event.

38. If EPA determines that the delay was not or will not be caused by a force majeure event, or the Parties are unable to agree on a stipulated extension of time, the Settling Defendant

may invoke the dispute resolution procedures set forth in Section XIV (Dispute Resolution) no later than fifteen (15) days after receipt of EPA's written notice. In any such proceeding, the Settling Defendant shall have the burden of demonstrating that the delay or anticipated delay has been or will be caused by a force majeure event, that the duration of the delay or the extension sought was or will be warranted under the circumstances, that due diligence was exercised to avoid and mitigate the effects of the delay, and that the Settling Defendant complied with the requirements of Paragraph 36.

#### XIV. DISPUTE RESOLUTION

39. Unless otherwise expressly provided for in this Consent Decree, the dispute resolution procedures of this Section shall be the exclusive mechanism to resolve disputes arising under or with respect to this Consent Decree. However, such procedures shall not apply to actions by the United States to enforce obligations of the Settling Defendant that have not been disputed in accordance with this Section.

40. Informal Dispute Resolution. Any dispute subject to dispute resolution under this Consent Decree shall first be the subject of informal negotiations. The dispute shall be considered to have arisen when either Party sends the other Party a written Notice of Dispute. Such Notice of Dispute shall state clearly the matter in dispute. The period of informal negotiations shall not exceed twenty (20) days from the date the dispute arises, unless that period is modified by written agreement. If the Parties cannot resolve a dispute by informal negotiations, then the position advanced by the United States shall be considered binding unless, within thirty (30) days after the conclusion of the informal negotiation period, the Settling Defendant invokes formal dispute resolution procedures as set forth below.

41. Formal Dispute Resolution. The Settling Defendant shall invoke formal dispute resolution procedures, within the time period provided in the preceding Paragraph, by serving on the United States a written Statement of Position regarding the matter in dispute. The Statement of Position shall include, but may not necessarily be limited to, any factual data supporting the Settling Defendant's position and any supporting documentation relied upon by the Settling Defendant.

42. The United States shall serve its Statement of Position within thirty (30) days of receipt of the Settling Defendant's Statement of Position. The United States' Statement of Position shall include, but may not necessarily be limited to, any factual data supporting that position and any supporting documentation relied upon by the United States. The United States' Statement of Position shall be binding on the Settling Defendant, unless the Settling Defendant files a motion for judicial review of the dispute in accordance with the following Paragraph.

43. The Settling Defendant may seek judicial review of the dispute by filing with the Court and serving on the United States, in accordance with Section XVIII of this Consent Decree (Notices and Submissions), a motion requesting judicial resolution of the dispute. The motion must be filed within thirty (30) days of receipt of the United States' Statement of Position pursuant to the preceding Paragraph. The motion shall contain a written statement of the Settling Defendant's position on the matter in dispute, including any supporting factual data and documentation, and shall set forth the relief requested and any schedule within which the dispute must be resolved for orderly implementation of the Consent Decree.

44. The United States shall respond to the Settling Defendant's motion within the time period allowed by the Local Rules of this Court. The Settling Defendant may file a reply memorandum, to the extent permitted by the Local Rules.

45. In any dispute under this Section, the Settling Defendant shall bear the burden of demonstrating that its position complies with this Consent Decree and RCRA, based on the legal standard provided by applicable law, and that the Settling Defendant is entitled to relief under applicable law. The United States reserves the right to argue that its position is reviewable only on the administrative record and must be upheld unless arbitrary and capricious or otherwise not in accordance with law; the Settling Defendant reserves the right to argue to the contrary.

46. The invocation of dispute resolution procedures under this Section shall not, by itself, extend, postpone, or affect in any way any obligation of the Settling Defendant under this Consent Decree, unless and until final resolution of the dispute so provides. Stipulated Penalties with respect to the disputed matter for which a demand has been tendered pursuant to Paragraph 48 shall continue to accrue from the first day of noncompliance, but payment shall be stayed pending resolution of the dispute as provided in Paragraph 49. If the Settling Defendant does not prevail on the disputed issue, Stipulated Penalties shall be assessed and paid as provided in Section XV (Stipulated Penalties). If the Settling Defendant does prevail on the disputed issue, Stipulated Penalties shall not be assessed and paid as provided in Section XV (Stipulated Penalties).

#### XV. STIPULATED PENALTIES

47. The Settling Defendant shall be liable for Stipulated Penalties to the United States for violations of this Consent Decree as specified below, unless excused under Section XIII

(Force Majeure) and subject to the dispute resolution provisions of Section XIV (Dispute Resolution). A violation includes failing to perform any obligation required by the terms of this Consent Decree, including any plan or schedule approved under this Consent Decree, according to all applicable requirements of this Consent Decree and within the specified time schedules established by or approved under this Consent Decree.

REQUIREMENT	VIOLATION	PENALTY
TASK 1.1.- Conduct Daily Wildlife Inspections	Failure to conduct Daily Wildlife Inspections	\$500 per day for first 7 consecutive violations; \$1,000 per day for next 7 consecutive violations; \$1,500 per day for each subsequent consecutive violation

TASK 1.2 - Conduct Daily Oil Inspections	Failure to conduct Daily Oil Inspections	\$500 per day for first 7 consecutive violations; \$1,000 per day for next 7 consecutive violations; \$1,500 per day for each subsequent consecutive violation
Remove oil sheens	Failure to take appropriate steps to assure that significant oil sheens observed on the surface of the impoundment during a Daily Oil Inspection are removed, to the extent practicable, within twenty-four (24) hours of observation	\$1,000 per day
Maintain records of the Daily Oil Inspections	Failure to maintain records of the Daily Oil Inspections that include information specified in the SOW	\$1,000 per violation
Keep records of the Daily Oil Inspections in locations specified in the SOW	Failure to keep records of the Daily Oil Inspections in offices of the 56" Hot Strip Mill operating or maintenance staff or such other location at the Facility that is readily accessible to the WCI Project Coordinator to ensure availability for review by EPA (or its representatives) in accordance with Paragraph 21(d) of the Consent Decree	\$1,000 per violation

TASK 1.3 - Conduct Weekly Wildlife Deterrent Inspections	Failure to conduct Weekly Wildlife Deterrent Inspections	\$1,000 per violation
Maintain records of the Weekly Wildlife Deterrent Inspections	Failure to maintain records of the Weekly Wildlife Deterrent Inspections that include information specified in the SOW	\$1,000 per violation
Keep records of the Weekly Wildlife Deterrent Inspections in locations specified in the SOW	Failure to keep records of the Weekly Wildlife Deterrent Inspections in offices of the environmental staff or such other location at the Facility that is readily accessible to the WCI Project Coordinator to ensure availability for review by EPA (or its representatives) in accordance with Paragraph 21(d) of the Consent Decree and by the Wildlife Expert	\$1,000 per violation
TASK 1.4 - Submit Monthly Impoundment Reports to EPA	Failure to submit Monthly Impoundment Reports to EPA by the tenth (10 <sup>th</sup> ) day of the month following the calendar month for which the Report was prepared	\$500 per day for first 7 days of violation, \$1,500 per day thereafter
TASK 1.5 - Submit Monthly Wildlife Survey to EPA	Failure to submit Monthly Wildlife Survey to EPA with the Monthly Impoundment Report next due following receipt of the Monthly Wildlife Survey report by the WCI Project Coordinator	\$500 per day for first 7 days of violation, \$1,500 per day thereafter
TASKS 2 & 3- Maintain Wildlife Deterrents	Failure to repair or replace any damaged or missing Existing Wildlife Deterrents (as modified by the Additional Wildlife Deterrents, if applicable, pursuant to Task 3) by the end of the next working day after observing the damaged or missing deterrent unless EPA agrees to a different deadline in writing	\$500 per day for first 7 days of violation, \$1,000 per day thereafter
TASK 3 - Install Additional Deterrents	Failure to install each additional wildlife deterrent within thirty (30) days of the Effective Date of the Consent Decree, or as otherwise specified in the SOW	\$500 per day for first 7 days of violation, \$1,000 per day thereafter



TASK 4 - Installation of Netting	Failure to complete installation of a netting system at #5 Pond and #5A Sludge Containment by December 31, 2006, or within 15 days of the Effective Date, whichever is later, in accordance with Netting Plan	\$1,000 per day for first 7 days of violation, \$2,000 for next 7 days of violation, \$3,000 per day thereafter
Inspect the Netting		\$1,000 per violation
Repair the Netting	Failure to inspect the netting system on a weekly basis  Failure to repair the netting as soon as practicable to assure the continued integrity of the netting installation	\$750 per day for first 7 days of violation, \$1,500 for next 7 days of violation, \$2,000 per day thereafter
TASK 5 - Maintain Fire Risk Management Plan	Failure to maintain an Fire Risk Management Plan containing all elements required by the SOW	\$500 per day for first 7 days of violation, \$1,000 for next 7 days of violation, \$3,000 per day thereafter
Implement Fire Risk Management Plan	Failure to implement a required element of the Fire Risk Management Plan	\$500 per day for first 7 days of violation, \$1,000 for next 7 days of violation, \$3,000 per day thereafter

TASK 6 - Maintain Oil Management Plan	Failure to maintain an Oil Management Plan containing all elements required by the SOW	\$500 per day for first 7 days of violation, \$1,000 for next 7 days of violation, \$3,000 per day thereafter
Implement Oil Management Plan	Failure to implement a required element of the Oil Management Plan	\$500 per day for first 7 days of violation, \$1,000 for next 7 days of violation, \$3,000 per day thereafter
TASK 7 - Implement Sludge Removal Plan	Failure to complete removal of sludge from the 56" Hot Mill Lagoon and the cutting of new banks at the 56" Hot Mill Lagoon in accordance with Sludge Removal Plan by May 31, 2007	\$500 per day for first 7 days of violation, \$1,000 for next 7 days of violation, \$3,000 per day thereafter

48. Penalties shall begin to accrue on the day after the complete performance is due or the day a violation occurs, and shall continue to accrue through the final day of correction of the violation or completion of the activity. Stipulated penalties shall be due within forty-five (45) days of receipt of a demand letter from EPA, unless the Settling Defendant initiates dispute resolution in accordance with Section XIV. Nothing herein shall prevent the simultaneous accrual of separate stipulated penalties for separate violations of this Consent Decree, even where those violations concern the same event (e.g., submission of a Work Plan that is late and is of unacceptable quality).

49. Stipulated Penalties shall continue to accrue as provided in Paragraph 48, above, during any Dispute Resolution, with interest on accrued penalties payable and calculated at the

rate established by the Secretary of the Treasury, pursuant to 28 U.S.C. § 1961, but need not be paid until the following:

a. If the dispute is resolved by agreement or by a decision of EPA that is not appealed to the Court, the Settling Defendant shall pay accrued penalties determined to be owing, together with interest, to the United States within thirty (30) days of the effective date of the agreement or the receipt of EPA's decision or order;

b. If the dispute is appealed to the Court and the United States prevails in whole or in part, the Settling Defendant shall pay all accrued penalties determined by the Court to be owing, together with interest, within sixty (60) days of receiving the Court's decision or order, except as provided in Subparagraph c, below;

c. If any Party appeals the District Court's decision, the Settling Defendant shall pay all accrued penalties determined to be owing, together with interest, within thirty (30) days of receiving the final appellate court decision.

50. If the Settling Defendant fails to pay Stipulated Penalties according to the terms of this Consent Decree, the Settling Defendant shall be liable for interest on such penalties, as provided for in 28 U.S.C. § 1961, accruing from the date payment became due until full payment is made.

51. The Settling Defendant shall pay stipulated penalties due under this Consent Decree by electronic funds transfer in accordance with Paragraph 32, or by cashier's check or certified check payable to the Treasurer of the United States and mailed to the United States Attorney's Office for the Northern District of Ohio. A transmittal letter shall accompany each payment that indicates that the payment is for stipulated penalties, states the basis for the

payment of stipulated penalties, and references the case name and civil action number, U.S.A.O. File No. 2006V02750, DOJ Case No. 90-5-1-1-5027/1, and the name and address of the party making payment. The Settling Defendant shall send simultaneous notices of such payments, including copies of the money order, certified check, company check, electronic funds transfer, or cashier's check to the United States and EPA at the addresses set forth in Paragraph 64.

52. Subject to the provisions of Section XVI of this Consent Decree (Effect of Settlement), the Stipulated Penalties provided for in this Consent Decree shall be in addition to any other rights, remedies, or sanctions available to the United States for the Settling Defendant's violation of this Consent Decree or applicable law.

53. No payments under this Section shall be deducted for federal tax purposes.

54. Notwithstanding any other provision of this Section, EPA may, in its unreviewable discretion, waive any portion of stipulated penalties that have accrued pursuant to this Consent Decree.

#### XVI. EFFECT OF SETTLEMENT

55. This Consent Decree represents full and final settlement and resolves the civil liability of the Settling Defendant to the United States for the violations alleged in the Complaint filed by the United States in this proceeding through the date of lodging of the Consent Decree, as well as all claims for civil liability of Debtor WCI to the United States for the violations alleged in the United States' Proof of Claim and Administrative Proof of Claim filed in the Bankruptcy Case. As of the Effective Date of this Consent Decree, the RCRA 7003 Order shall be deemed terminated.

56. The United States reserves all legal and equitable remedies to enforce the provisions of this Consent Decree, except as expressly stated herein, and the Settling Defendant reserves all legal and equitable defenses thereto.

57. Except as expressly specified herein, this Consent Decree shall not be construed as a covenant not to sue, release, waiver, or limitation of any rights, remedies, powers, claims, and/or authorities, civil or criminal, which EPA may have under RCRA, CERCLA, or any other statutory, regulatory, or common law authority of the United States (hereinafter “rights”), and, except as expressly specified herein, the Settling Defendant reserves all legal and equitable defenses thereto. These rights include, but are not limited to, EPA’s authority to issue, regardless of the Settling Defendant’s compliance with this Consent Decree, orders subsequent to the Effective Date of this Consent Decree pursuant to RCRA Section 7003 to the extent authorized under RCRA Section 7003. In any proceeding against Settling Defendant pursuant to RCRA Section 7003 subsequent to the Effective Date of this Consent Decree, other than a proceeding to enforce the terms of this Consent Decree, and, except as expressly specified herein, neither the terms and conditions of this Consent Decree, nor the fact that the Settling Defendant entered into this Consent Decree, shall be construed to prevent, limit, or in any way affect the Settling Defendant’s defenses thereto.

58. Nothing in this Consent Decree is intended to or shall be construed to resolve (a) any civil liability for violations of the Standards For the Management of Used Oil codified at 40 C.F.R. §§ 279.20 et seq., and at Ohio Rev. Code Ann. Section 3745-279-01, et seq. (Anderson 2005), or for violations of any provision of any federal, state, or local law, statute, regulation,

rule, ordinance, or permit that are not alleged in the Complaint in this action; or (b) any criminal liability.

59. This Consent Decree does not limit or affect the rights of the Settling Defendant or of the United States against third parties not a party to this Consent Decree, nor does it limit the rights of third parties not a party to this Consent Decree against the Settling Defendant, except as otherwise provided by law.

60. Each Party to this action shall bear its own costs and attorneys' fees.

61. In any subsequent administrative or judicial proceeding initiated by the United States for injunctive relief or civil penalties relating to the Facility covered by this Consent Decree, the Settling Defendant shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim preclusion, or claim-splitting, or any other defense based upon the contention that the claims raised by the United States in the subsequent proceeding were or should have been brought in the instant case.

#### XVII. TERMINATION

62. This Consent Decree shall be subject to termination upon motion by either Party after the Settling Defendant has satisfied all of the terms of this Consent Decree; paid the civil penalties required to be paid under Section XI (Civil Penalties); paid all stipulated penalties due under Section XV (Stipulated Penalties), if any; and completed all Final Measures and two years of monitoring and reporting thereafter. Termination of this Consent Decree shall not terminate the Settling Defendant's obligation to comply with Sections X (Record Retention) and XIII (Indemnification).

63. In the event that the Settling Defendant seeks to terminate this Consent Decree, it shall submit a Request For Termination to the United States stating that it has satisfied all requirements in Paragraph 62, together with all necessary supporting documentation, including but not limited to a summary of the implementation, findings, results, and current status, as applicable, of the tasks outlined in Appendix A (Statement of Work). Following receipt by the United States of Settling Defendant's Request for Termination, the Parties shall confer informally for a period of at least sixty (60) days concerning the Request and any disagreement that the Parties may have as to whether the Settling Defendant has satisfactorily complied with the requirements for termination of this Consent Decree, unless agreement is reached over a shorter period of time that there has been satisfactory compliance with the Consent Decree requirements. If the United States agrees that the Consent Decree may be terminated, the Parties shall submit, for the Court's approval, a joint stipulation terminating the Consent Decree. If the United States does not agree that the Consent Decree may be terminated, the Settling Defendant may, by motion to the Court, seek termination of this Consent Decree. However, the Settling Defendant shall not file a motion seeking termination of this Consent Decree until at least sixty (60) days after service of its Request for Termination, unless authorized to do so in writing by the United States.

#### XVIII. NOTICES AND SUBMISSIONS

64. Whenever, under the terms of this Consent Decree, written notice is required to be given or any document is required to be sent by one Party to another, it shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give notice of a change to the other parties in writing. All notices and submissions shall be considered

effective upon receipt, unless otherwise provided. Written notice as specified herein shall constitute complete satisfaction of any written notice requirement of the Consent Decree with respect to the United States, EPA, and the Settling Defendant, respectively.

As to the United States:

Chief, Environmental Enforcement Section  
Environment and Natural Resources Division  
U.S. Department of Justice  
P.O. Box 7611  
Ben Franklin Station  
Washington, D.C. 20044  
Re: DJ # 90-5-1-1-5027/1

As to EPA:

Enforcement & Compliance Assurance Branch  
Waste, Pesticides and Toxics Division  
U.S. EPA, Region 5  
77 West Jackson Blvd.  
Chicago, IL 60606  
Attention: WCI Steel RCRA 7003 Assignee

Office of Regional Counsel  
U.S. EPA, Region 5  
77 West Jackson Blvd.  
Chicago, IL 60606  
Attention: WCI Steel RCRA 7003 Assignee

As to the Settling Defendant:

Thomas O. Shepker, Manager - Environmental Control  
WCI Steel, Inc.  
1040 Pine Avenue, S.E.  
Warren, Ohio 44483-6528



With a copy to -

Wendlene M. Lavey, Esq.  
Squire, Sanders & Dempsey L.L.P.  
4900 Key Tower  
127 Public Square  
Cleveland, Ohio 44114-1304

**XIX. EFFECTIVE DATE**

65. The Effective Date of this Consent Decree shall be the date upon which this Consent Decree is entered by the Court.

**XX. RETENTION OF JURISDICTION**

66. This Court retains jurisdiction over both the subject matter of this Consent Decree and the Settling Defendant for the duration of the performance of the terms and provisions of this Consent Decree in order to enable either Party to apply to the Court at any time for such further order, direction, and relief as may be necessary or appropriate for the construction or modification of this Consent Decree, or to effectuate or enforce compliance with its terms, or to resolve disputes in accordance with Section XIV (Dispute Resolution) hereof.

**XXI. APPENDICES**

67. The following appendices are attached to and incorporated into this Consent Decree:

“Appendix A” is the SOW

“Appendix B” is the Facility Map

**XXII. MODIFICATION**

68. No material modification to this Consent Decree shall be made without written agreement of the Parties and approval of the Court. Non-material modifications of the Consent

Decree may be made by written agreement of the Parties, filed with the Court, but shall not require Court approval. Schedules specified in this Consent Decree or in the SOW for completion of the Work may be modified by written agreement of EPA and the Settling Defendant.

69. Except as may be permitted or contemplated in the SOW or the attached approved plans, no other modifications shall be made to the SOW without written notification to and written approval of the United States, the Settling Defendant, and the Court, if such modifications materially alter the Work. Modifications to the SOW that do not materially alter the Work may be made by written agreement between EPA and the Settling Defendant, and shall be filed with the Court. Nothing in this Consent Decree shall be deemed to alter the Court's power to enforce, supervise, or approve modifications to this Consent Decree.

#### XXIII. LODGING AND OPPORTUNITY FOR PUBLIC COMMENT

70. This Consent Decree shall be lodged with the Court for a period of not less than thirty (30) days for public notice and comment in accordance with 28 C.F.R. § 50.7, as well as for compliance with the public participation requirements of Section 7003(d) of RCRA, 42 U.S.C. § 6973(d). The United States reserves the right to withdraw or withhold its consent if the comments regarding the Consent Decree disclose facts or considerations which indicate that the Consent Decree is inappropriate, improper, or inadequate. The Settling Defendant consents to the entry of this Consent Decree without further notice.

71. If for any reason the Court should decline to approve this Consent Decree in the form presented, this agreement is voidable at the sole discretion of either Party and the terms of the agreement may not be used as evidence in any litigation between the Parties.

XXIV. SIGNATORIES/SERVICE

72. Each undersigned representative of the Settling Defendant, and the Deputy Chief, Environmental Enforcement Section, Environment and Natural Resources Division of the Department of Justice certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Decree and to execute and legally bind such Party to this Consent Decree.

73. The Settling Defendant agrees not to oppose entry of this Consent Decree by this Court or to challenge any provision of this Consent Decree unless the United States has notified the Settling Defendant in writing that it no longer supports entry of the Consent Decree.

74. The Settling Defendant shall identify, on the attached signature page, the name, address and telephone number of an agent who is authorized to accept service of process by mail on behalf of the Settling Defendant with respect to all matters arising under or relating to this Consent Decree. The Settling Defendant agrees to accept service in that manner and to waive the formal service requirements set forth in Rule 4 of the Federal Rules of Civil Procedure and any applicable local rules of this Court, including, but not limited to, service of a summons. The Parties agree that the Settling Defendant need not file an answer to the complaint in this action unless or until the Court expressly declines to enter this Consent Decree.

XXV. FINAL JUDGMENT

75. This Consent Decree and its appendices constitute the final, complete, and exclusive agreement and understanding among the Parties with respect to the settlement embodied in the Consent Decree. The Parties acknowledge that there are no representations,

agreements, or understandings relating to the settlement other than those expressly contained in this Consent Decree.

76. Upon approval and entry of this Consent Decree by the Court, this Consent Decree shall constitute a final judgment between and among the United States and the Settling Defendant. The Court finds that there is no just reason for delay and therefore enters this judgment as a final judgment under Fed. R. Civ. P. 54 and 58.

SO ORDERED THIS \_\_ DAY OF \_\_\_\_\_, 2006.

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United States District Judge

Through their undersigned representatives, the Parties agree and consent to entry of the foregoing Consent Decree in United States of America v. WCI Steel, Inc.:

FOR PLAINTIFF UNITED STATES OF AMERICA:

[Redacted Signature]

Date: 12/14/06

W. BENJAMIN FISHEROW  
Deputy Chief  
Environmental Enforcement Section  
Environment and Natural Resources  
Division  
United States Department of Justice

[Redacted Signature]

Date: 12/11/06

PAMELA R. LEE (DC 41393407)  
Trial Attorney  
Environmental Enforcement Section  
Environment and Natural Resources Division  
U.S. Department of Justice  
P.O. Box 7611  
Washington, D.C. 20044-7611  
Telephone: (202) 305-2775  
Facsimile: (202) 616-6584  
E-mail: pamela.r.lee@usdoj.gov

[Redacted Signature]


Date: 12-18-06

STEVEN J. PAFFILAS (OH 0037376)  
Assistant United States Attorney  
United States Courthouse  
801 W. Superior Avenue  
Suite 400  
Cleveland, OH 44113  
Telephone: (216) 622-3698  
Facsimile: (216) 522-2404  
E-mail: steven.paffilas@usdoj.gov

Through their undersigned representatives, the Parties agree and consent to entry of the foregoing Consent Decree in United States of America v. WCI Steel, Inc.:



Date: 12-07-06

 MARY A. GADE  
Regional Administrator  
Region 5  
U.S. Environmental Protection Agency



Date: 11/30/06

~~CATHERINE GARYPIE~~  
Associate Regional Counsel  
Office of Regional Counsel  
Region 5  
U.S. Environmental Protection Agency  
77 West Jackson Blvd. (C-14J)  
Chicago, IL 606004-3507  
Telephone: (312) 886-5825  
Facsimile: (312) 886-0747  
E-mail: garypie.catherine@epa.gov

Through their undersigned representatives, the Parties agree and consent to entry of the foregoing Consent Decree in United States of America v. WCI Steel, Inc.:

FOR DEFENDANT, WCI Steel, Inc.:



Date: 11/29/2006

PATRICK G. TATOM  
President and Chief Executive Officer  
WCI Steel, Inc.  
1040 Pine Avenue, SE  
Warren, Ohio 44483

The following is the name and address of Defendant's agent for service pursuant to Paragraph 79.

Wendlene M. Lavey, Esq.  
Squire, Sanders & Dempsey L.L.P.  
4900 Key Tower  
127 Public Square  
Cleveland, Ohio 44114-1304  
Telephone: (216) 479-8500  
Facsimile: (216) 479-8776  
E-mail: [wlavey@ssd.com](mailto:wlavey@ssd.com)

# **APPENDIX A**

## **STATEMENT OF WORK**



**APPENDIX A**

**STATEMENT OF WORK  
WCI STEEL, INC. (WARREN, OHIO)**

**I. PURPOSE**

This Statement of Work ("SOW") sets forth the requirements for conducting the Work to be performed under the Consent Decree between the United States and WCI Steel, Inc. ("Settling Defendant") at the Settling Defendant's Warren, Ohio Facility ("Facility").

The Settling Defendant shall furnish all personnel, materials, and services necessary for, or incidental to, performing the Work at the Facility, except as otherwise specified herein.

**II. SCOPE**

Settling Defendant shall complete the following tasks as part of the Work to be performed (Paragraph 11 of the Consent Decree):

General Measures

Task 1: Monitoring and Reporting

Interim Measures

Task 2: Existing Wildlife Deterrents

Task 3: Additional Wildlife Deterrents

Final Measures

Task 4: Netting (see Exhibit 1)

Task 5: Fire Risk Management (see Exhibit 2)

Task 6: Oil Management (see Exhibit 3)

Task 7: Sludge Removal (see Exhibit 4)

**A. GENERAL MEASURES**

**TASK 1: MONITORING AND REPORTING**

All work under Tasks 1.1, 1.2, 1.3 and 1.4 shall be conducted under the direction and supervision of the WCI Project Coordinator, with assistance to be provided by the Wildlife Expert referenced in Section V (Performance of the Work By Settling Defendant) of the Consent Decree as appropriate with respect to Tasks 1.1 and 1.3. The work under Task 1.5 shall be conducted by the Wildlife Expert.

Monitoring and Reporting as set forth below shall be implemented upon the Effective Date of the Consent Decree and shall continue for two years after the implementation of the Final Measures (netting at #5 Pond and #5A Sludge Containment pursuant to Task 4 and sludge removal at the 56" Hot Mill Lagoon pursuant to Task 7), except that Daily Wildlife Inspections (Task 1.1), Monthly Wildlife Surveys (Task 1.5), and Weekly Wildlife Deterrent Inspections (Task 1.3) may stop at #5 Pond and #5A Sludge Containment upon implementation of the Netting Plan described in Task 4 below.

### **1.1 Daily Wildlife Inspections**

The Settling Defendant shall conduct inspections at #5 Pond, #5A Sludge Containment, and the 56" Hot Mill Lagoon for the presence of wildlife no less frequently than twice per day, Monday through Friday (the "Daily Wildlife Inspections"). The first daily inspection will be conducted early in the morning, typically between 7am and 7:30am, or at dawn, whichever is later. The second daily inspection will be conducted in the afternoon. The Daily Wildlife Inspections will be conducted by walking around the perimeter of each impoundment and checking the surface and edge or bank of the impoundment for wildlife, as well as an area within approximately fifty (50) feet of the perimeter of the impoundment. The Daily Wildlife Inspections shall be conducted by the WCI Project Coordinator or his designee(s). The WCI Project Coordinator and his designee(s) shall meet with the Wildlife Expert for initial training on the conduct of the Daily Wildlife Inspections within thirty (30) days of the Effective Date of the Consent Decree, and shall periodically meet thereafter (generally, when the Wildlife Expert is otherwise at the Facility for purposes of the Monthly Wildlife Surveys) to assist the Wildlife Expert with his/her oversight responsibilities. In the event the WCI Project Coordinator's designee is not available, the WCI Project Coordinator will be responsible for assuring that the Daily Wildlife Inspections are conducted.

The Settling Defendant will maintain records of the Daily Wildlife Inspections, which shall include the following information:

- Date and time of inspection
- Person conducting the inspection
- Identification of wildlife observed (mammal/amphibian/bird and species if known)
- Location of the wildlife relative to the impoundment
- Activity of the wildlife (e.g., flying, feeding, walking, swimming, etc.)
- Whether the wildlife appears injured, oiled or dead
- Any actions taken relative to the wildlife (e.g., scared away, retrieved)
- If injured or oiled, disposition of wildlife (e.g., taken to a wildlife rehabilitator)

All reasonable attempts shall be made to rehabilitate any injured or oiled wildlife observed during the Daily Wildlife Inspections using a trained rehabilitator or veterinarian. In that event, the records of the Daily Wildlife Inspections shall include information regarding the trained rehabilitator or veterinarian and the final disposition of the injured or oiled wildlife (e.g., rehabilitated, euthanized). In addition, for any injured, oiled or deceased wildlife observed during the Daily Wildlife Inspection, to the extent practicable a photograph of the injured, oiled or deceased wildlife will be taken and placed with the records of the Daily Wildlife Inspections.

The records of the Daily Wildlife Inspections will be kept, during the pendency of the Consent Decree, at the Facility in the offices of the environmental staff or such other location at the Facility that is readily accessible to the WCI Project Coordinator to ensure availability for review by EPA (or its representatives) in accordance with Paragraph 21(d) of the Consent Decree and by the Wildlife Expert.

### **1.2 Daily Oil Inspections**

The Settling Defendant shall conduct inspections at the 56" Hot Mill Lagoon for the presence of accumulated oil on the surface of the impoundment no less frequently than once per day (the "Daily Oil Inspections"). The Daily Oil Inspections shall be conducted by WCI personnel or by a third-party service provider. In the event significant oil sheens are observed on the surface of the impoundment during a Daily Oil Inspection, the Settling Defendant will take appropriate steps to assure that the oil sheens are removed, to the extent practicable, within twenty-four (24) hours of the observation.

The Settling Defendant will maintain records of the Daily Oil Inspections, which shall include the following information:

- Name of the person conducting the Daily Oil Inspection
- Date and time of the Daily Oil Inspection
- Whether oil sheens are observed on the surface of the Lagoon
- Actions taken in response to observed oil sheens, if any (e.g., call placed to contractor), and if no actions were taken the reasons no actions were taken (e.g., insufficient quantity to allow use of a vacuum truck, anticipated removal by oil skimmer within twenty-four (24) hours of the observation)

Further information, including contact information in the event a service contractor is needed, is set forth in the Settling Defendant's Oil Management Plan. The records of the Daily Oil Inspections will be kept, during the pendency of the Consent Decree, at the Facility in the offices of the 56" Hot Strip Mill operating or maintenance staff or such other location at the Facility that is readily accessible to the WCI Project Coordinator to ensure availability for review by EPA (or its representatives) in accordance with Paragraph 21(d) of the Consent Decree.

### **1.3 Weekly Wildlife Deterrent Inspections**

The Settling Defendant shall conduct inspections of the Existing Wildlife Deterrents (as modified by the Additional Wildlife Deterrent, if appropriate) at the 56" Hot Mill Lagoon, #5 Pond and #5A Sludge Containment no less frequently than once per week (the "Weekly Wildlife Deterrent Inspections"). The Weekly Wildlife Deterrent Inspections shall be conducted by the WCI Project Coordinator or his designee(s). The WCI Project Coordinator and his designee(s) shall meet with the Wildlife Expert for initial training on the conduct of the Weekly Wildlife Deterrent Inspections within thirty (30) days of the Effective Date of the Consent Decree, and shall periodically meet thereafter (generally, when the Wildlife Expert is otherwise at the Facility for purposes of the Monthly Wildlife Surveys) to assist the Wildlife Expert with his/her oversight responsibilities. In the event the WCI Project Coordinator's designee is not available,

the WCI Project Coordinator will be responsible for assuring that the Weekly Deterrent Inspections are conducted.

The Settling Defendant will maintain records of the Weekly Wildlife Deterrent Inspections, which shall include the following information:

- Date and time of inspection
- Person conducting the inspection
- Confirmation of the presence and condition of the deterrents
- Description of any actions taken or to be taken in response to the inspection

The records of the Weekly Wildlife Deterrent Inspections will be kept, during the pendency of the Consent Decree, at the Facility in the offices of the environmental staff or such other location at the Facility that is readily accessible to the WCI Project Coordinator to ensure availability for review by EPA (or its representatives) in accordance with Paragraph 21(d) of the Consent Decree and by the Wildlife Expert.

#### **1.4 Monthly Impoundment Reports**

The WCI Project Coordinator shall prepare or have prepared a monthly written report summarizing the results of the Weekly Wildlife Deterrent Inspections, the Daily Wildlife Inspections (including a brief recitation of any live, injured, oiled or dead wildlife observed during the Daily Wildlife Inspection), and the Daily Oil Inspections (the "Monthly Impoundment Reports"). The Monthly Impoundment Reports shall also include a description of the progress under the Sludge Removal Plan (Task 7) and Netting Plan (Task 4). Upon installation of the netting system at #5 Pond and #5A Sludge Containment, the Monthly Impoundment Report shall include information summarizing the results of the weekly inspections of the netting system (see Task 4).

Beginning after the first full calendar month following the Effective Date of the Consent Decree, the Monthly Impoundment Reports shall be submitted to EPA by the tenth (10<sup>th</sup>) day of the month following the calendar month for which the Report was prepared. Monthly Wildlife Survey reports prepared by the Wildlife Expert shall be submitted to EPA with the Monthly Impoundment Reports as set forth in Task 1.5 below.

#### **1.5 Monthly Wildlife Survey**

Beginning with the first full calendar month following the Effective Date of the Consent Decree, the Wildlife Expert identified in Paragraph 10 of the Consent Decree shall conduct a survey of wildlife activity at #5 Pond, #5A Sludge Containment and the 56" Hot Mill Lagoon once per calendar month ("Monthly Wildlife Survey"). The Monthly Wildlife Survey shall consist of two rounds of observations by the Wildlife Expert at the survey points identified for each of the impoundments. One round of observations shall be conducted as close to dawn as practicable, and the second round shall be conducted as close to dusk as practicable.

The results of the Monthly Wildlife Survey shall be presented in a written report to be submitted by the Wildlife Expert to the WCI Project Coordinator within thirty (30) days following the date

of the Monthly Wildlife Survey. The Monthly Wildlife Survey report shall be submitted to EPA with the Monthly Impoundment Report next due following receipt of the Monthly Wildlife Survey report.

The Monthly Wildlife Surveys shall include the following elements, which will be set forth in the Monthly Wildlife Survey report:

- Name of the person conducting the survey
- Identification of the survey points to be used at each of the impoundments
- Description of the procedure used by the Wildlife Expert at each survey point
- Date of the survey and start/end time of each observation round
- Order of survey points during each observation round (order must be different than the order followed in the previous monthly survey) and start/end time at each survey point
- Weather conditions during the survey
- Identification of wildlife observed at each survey point and while walking between survey points (mammal/amphibian/bird and species if known)
- Location of the wildlife relative to the impoundment
- Activity of the wildlife (e.g., flying, feeding, walking, swimming, etc.)
- Reaction of the wildlife, if any, to deterrent measures
- Whether the wildlife appears injured, oiled or dead
- Any actions taken relative to the wildlife (e.g., scared away, retrieved)
- If injured or oiled, disposition of wildlife (e.g., taken to a wildlife rehabilitator)
- General comments on the deterrent measures observed

To the extent practicable, the Wildlife Expert shall also take a photograph of any injured/oiled or deceased wildlife observed during the Monthly Wildlife Survey, which shall be included with the written Monthly Wildlife Survey report.

## **B. INTERIM MEASURES**

### **TASK 2: EXISTING WILDLIFE DETERRENTS**

On the Effective Date of the Consent Decree, Settling Defendant shall maintain the Existing Wildlife Deterrents listed in 2.1 through 2.4, below. Maintenance of existing wildlife deterrents may stop at #5 Pond and #5A Sludge Containment upon implementation of the Netting Plan described in Task 4 below. Maintenance of Existing Wildlife Deterrents (together with the Additional Wildlife Deterrents described in Task 3 below) shall continue at the 56" Hot Mill Lagoon after implementation of the Sludge Removal Plan described in Task 7 below.

#### **2.1 #5 Pond**

- (a) Monofilament grid lines
- (b) Goose exclusion line
- (c) Owl decoys
- (d) Terror-Eye balloons

- (e) Plastic sheet scarecrows
- (f) Cut and spray emerging vegetation

## **2.2 #5A Sludge Containment**

- (a) Monofilament grid lines
- (b) Goose exclusion line
- (c) Owl decoys
- (d) Terror-Eye balloons
- (e) Plastic sheet scarecrows
- (f) Cut and spray emerging vegetation

## **2.3 56" Hot Mill Lagoon**

- (a) Goose exclusion line
- (b) Owl decoys
- (c) Terror-Eye balloons
- (d) Plastic sheet scarecrows
- (e) Cut and spray emerging vegetation

In the event that the Settling Defendant continues to utilize permanent wooden posts similar to the ones in place prior to the Effective Date of the Consent Decree, "Bird Be Gone" spikes shall be used so as not to create a roosting place for birds.

The Settling Defendant shall repair or replace any damaged or missing Existing Wildlife Deterrents (as modified by the Additional Wildlife Deterrents if applicable pursuant to Task 3 below) by the end of the next working day after observing the damaged or missing deterrent unless EPA agrees to a different deadline in writing. Notwithstanding the foregoing, the Settling Defendant may temporarily move or re-locate the Existing Wildlife Deterrents (as modified by the Additional Wildlife Deterrents if applicable) during implementation of Task 4 (Netting) and Task 7 (Sludge Removal) to the extent necessary.

## **TASK 3: ADDITIONAL WILDLIFE DETERRENTS**

Within thirty (30) days of the Effective Date of the Consent Decree, Settling Defendant shall install and begin maintaining the following Additional Wildlife Deterrents at the 56" Hot Mill Lagoon:

- Extend the existing goose exclusion line all the way around the Hot Mill Lagoon; and
- Install a system, closer to the edge of the Lagoon, such that the Existing Wildlife Deterrents (Terror Eye balloons, plastic sheet scarecrows, and owl decoys) can be moved every 2-3 days.

The Settling Defendant may elect either to install additional permanent posts around the perimeter of the Hot Mill Lagoon whereby the Existing Wildlife Deterrents can be removed from one post and attached to another post, or to install moveable posts that can be taken out of the ground and reset at a new location. In the event that the Settling Defendant utilizes permanent



wooden posts similar to the ones currently used, "Bird Be Gone" spikes shall be used so as not to create a roosting place for birds.

The Settling Defendant may defer installing the Existing Wildlife Deterrents (as modified by the Additional Wildlife Deterrents) closer to the edge of the Lagoon, as required above, until implementation of the Sludge Removal Plan pursuant to Task 7 below, when the new, near-vertical edges to the Lagoon are completed. In addition, the Existing Wildlife Deterrents (as modified by the Additional Wildlife Deterrents) may be temporarily removed or re-located to the extent necessary during implementation of the Sludge Removal Plan.

### **C. FINAL MEASURES**

#### **TASK 4: NETTING**

Settling Defendant shall complete installation of a netting system at #5 Pond and #5A Sludge Containment by not later than December 31, 2006, or fifteen (15) days after the Effective Date of the Consent Decree, whichever is later, in accordance with the Netting Plan attached hereto as Exhibit 1.

Upon installation of the netting system, the Settling Defendant may leave open the truck entry end of #5A Sludge Containment each day, between the time of the first truck access that day and the last truck access that day. #5A Sludge Containment shall be covered with netting except as set forth in the preceding sentence and during periodic maintenance dredging of settled solids from #5A Sludge Containment or other maintenance activities. #5 Pond shall be covered with netting at all times, except during maintenance activities or other needed access to #5 Pond. The Settling Defendant shall inspect the netting system on a weekly basis and make repairs necessary to assure the continued integrity of the netting installation (including both the support system and the netting) as soon as practicable.

#### **TASK 5: FIRE RISK MANAGEMENT**

The Settling Defendant shall develop, maintain and implement a Fire Risk Management Plan for #5 Pond. At a minimum, the Settling Defendant's Fire Risk Management Plan shall include the following elements:

- Removal of scum from surface of #5 Pond, using a barrel skimmer or other similar device, to minimize the potential for methane and other combustible materials becoming trapped
- Removal of all scum, to the extent practicable, prior to initiating any "hot work" at #5 Pond (except during emergency repairs)
- Removal of emerging vegetation along the banks and sides of #5 Pond to eliminate a potential combustion source
- Periodic testing for LEL using a vapor monitoring device
- Submission of LEL results to EPA with the Monthly Impoundment Report next due following receipt of the results

- Utilization of the Settling Defendant's "Hot Work Permit" procedures in connection with any hot work conducted at or in close proximity of #5 Pond, which includes testing for LEL, to assess and address any fire hazards
- Posting of signs at #5 Pond indicating that the "Hot Work Permit" procedures apply to this area
- Posting of "No smoking" signs at #5 Pond
- Implementation of protocol for requesting that the local fire department be on stand-by during the initiation of hot work activities
- Implementation of protocol for responding to fire emergencies at #5 Pond, if they occur (including the procedures to be followed by an employee who discovers a fire at #5 Pond and the role of various company personnel, such as who has the responsibility for contacting local emergency responders and who is the company's lead representative during any fire emergency)
- Identification of the location of fire extinguishment equipment (e.g., fire extinguishers, fire hydrants)
- Implementation of protocol for preparation of a post-incident report to be used for documenting a fire, if one occurs, which reports shall include the following:
  - Description of each fire, large or small, in detail (date/time/weather at the time of the fire, ignition source(s), duration of the fire, description of what burned, response actions taken, circumstances leading to the fire, injuries caused by the fire, number of responders and affiliation, number of apparatus utilized, and a description of the failure of any emergency responders to respond); and
  - Recommended actions to prevent any future fires and exposures
- Submission of all post-incident reports (including recommendations) to EPA, Ohio EPA, and local emergency response agencies (fire and police departments)
- Training protocol for any personnel who performs work at or in close proximity of #5 Pond, which shall include the Fire Risk Management Plan
- Submission of the training description to EPA
- Utilization of a lightning grounding system if a conductive netting material is used at #5 Pond that could draw lightning strikes, or as recommended by the manufacturer

A copy of the Settling Defendant's current Fire Risk Management Plan for #5 Pond is attached as Exhibit 2. The Settling Defendant may revise the Fire Risk Management Plan from time to time as may be warranted based on best management practices, provided that (i) each of the elements identified above is addressed, and (ii) a copy of the Fire Risk Management Plan as revised is provided to EPA within thirty (30) days of such revision (with the revisions identified). Approval by EPA of any revised Fire Risk Management Plan is not required, and revisions to the Fire Risk Management Plan do not trigger formal modification under the Consent Decree.

In addition to implementation of a Fire Risk Management Plan, within thirty (30) days of the Effective Date of the Consent Decree, the Settling Defendant shall provide a written notification of the potential fire risk at #5 Pond to EPA, Ohio EPA, and the local fire department(s), police department(s) and hospital(s).



**TASK 6: OIL MANAGEMENT**

The Settling Defendant shall develop, maintain and implement an Oil Management Plan for the 56" Hot Strip Mill (HSM) covering mill process and maintenance operations, the 56" HSM scale pits, and the 56" Hot Mill Lagoon. At a minimum, the Settling Defendant's Oil Management Plan shall include the following elements:

*Oil unloading/loading operations*

- practices during oil unloading/loading operations to assure oil storage tanks are not overfilled

*Oil cellars*

- inspections of oil cellars at least once per 8-hour operating turn while the mill is operating and once per day when the mill is not operating
- preventative maintenance protocols
- protocols for responding to major losses within the oil cellars, including 24-hour/day, 7-day/week availability of oil removal service (or in-house capability)

*56" Hot Strip Mill*

- protocols to minimize oil releases during roll changes
- maintenance of roll seals
- protocols for responding to significant leaks and line breaks of oil lines and hoses such that repairs are made as soon as practicable
- maintenance protocols for the oil lines and hoses, including replacement of lines and hoses as needed based on preventative maintenance
- protocols for tracking oil consumption relative to production levels, which may be based on purchases of oils and lubricants as a surrogate for actual oil consumption

*Scale Pit Operations*

- use of oil skimmers at the scale pits
- inspections of the scale pits for oil and mill scale accumulation and operation of the oil skimmers
- protocols to assure that at least one oil skimmer is operating 24 hours/day, 7 days/week (and normally two)
- maintenance practices for the oil skimmers at the scale pits
- protocols for responding to large amounts of oil in the scale pits, including 24-hour/day, 7-day/week availability of oil removal service (or in-house capability)
- procedures for removal of accumulated scale from the scale pits as needed

*56" Hot Mill Lagoon*

- protocols for responding to large amounts of oil in the Lagoon, including 24-hour/day, 7-day/week availability of oil removal service (or in-house capability)
- use of oil skimmer at the Lagoon, operating 24-hour/day, 7-day/week (except during periods of maintenance on the skimmer or at the Lagoon)
- maintenance practices for the oil skimmer

- protocols for annual maintenance dredging of settled solids at the entry and exit ends of the Lagoon
- protocols for periodic full-scale dredging of settled solids, if and as needed to ensure no more than minimal oil accumulations on the surface of the Lagoon from settled sediments in light of the annual maintenance dredging, as determined based on soundings of the Lagoon bottom every 2-3 years and the results of the daily oil inspections.

A copy of the Settling Defendant's current Oil Management Plan for the 56" Hot Mill is attached as Exhibit 3. The Settling Defendant may revise the Oil Management Plan from time to time as may be warranted based on best management practices, provided that (i) each of the elements identified above is addressed, and (ii) a copy of the Oil Management Plan as revised is provided to EPA within thirty (30) days of such revision (with the revisions identified). Approval by EPA of any revised Oil Management Plan is not required, and revisions to the Oil Management Plan do not trigger formal modification under the Consent Decree.

In addition to implementation of the Oil Management Plan as described above, the Settling Defendant shall also cease use of the 6A oil cellar within thirty (30) days after start-up of a new walking beam reheat furnace and permanent shutdown of the existing reheat furnaces.

#### **TASK 7: SLUDGE REMOVAL**

Settling Defendant shall complete the removal of sludge from the 56" Hot Mill Lagoon and the cutting of new banks at the 56" Hot Mill Lagoon by not later than May 31, 2007, in accordance with the Sludge Removal Plan, attached hereto as Exhibit 4.

# **STATEMENT OF WORK**

## **EXHIBIT 1 NETTING PLAN**

**WCI Steel, Inc.**

**#5 Pond and #5A Sludge Containment – Netting Plan**

Introduction

WCI Steel, Inc. (WCI) has prepared this Netting Plan (Plan) for #5 Pond and #5A Sludge Containment as one component of a proposed Consent Decree between WCI and EPA. All work pursuant to this Plan will be conducted in accordance with the Consent Decree, in compliance with applicable EPA regulations, guidance and policies (if any), and under the general direction and supervision of the WCI Project Coordinator or Alternate WCI Project Coordinator. A copy of both the Plan and the Consent Decree will be provided to the third-party contractor(s) retained by WCI to perform the work set forth herein.

1. Objective and Scope of Work

WCI will install a netting system above the surface of #5 Pond and #5A Sludge Containment with a mesh size of 1-1/2 inch, such that the entire surface of each impoundment is covered to prevent access by migratory birds and other wildlife from above the installed netting or the sides of the installed netting to the extent contemplated by the Statement of Work. The netting system will be designed to handle typical weather conditions and to provide for periodic access (including the opening and closing of daily access for truck entry at #5A Sludge Containment to the extent allowed by the Statement of Work).

2. Schedule

WCI will complete the netting installation at #5 Pond and #5A Sludge Containment by not later than **December 31, 2006**, or within fifteen (15) days following the Effective Date of the Consent Decree, whichever occurs later.

3. Netting Installation

WCI (and its contractors) will install the netting system in accordance with the general instructions provided by the manufacturer and vendor. The general instructions updated as of November 8, 2006 are attached as Attachment 1 hereto, and may be modified or supplemented as necessary during detailed design and installation pursuant to the manufacturer/vendor's further instructions, provided such modifications are consistent with the "Objective and Scope of Work" stated above.

The netting system is designed for 90 mph – Exposure C winds with sufficient load-bearing capability to handle typical snow accumulation in Northeast Ohio without causing undue sagging of the cable system supporting the netting.

For the netting support system, ground anchors will be installed along the perimeter of #5 Pond and #5A Sludge Containment (the specific number of anchors will be based on the actual measured perimeter around #5 Pond and #5A Sludge Containment, spaced for the 6-foot cable grid system described below). Alternate foundations may be necessary if obstructions encountered during drilling to install the anchors prevent drilling to the intended depth. Cables will be installed 6 feet on center across the width and then the length of #5 Pond to form 6-foot square cable grids across the entire impoundment. The TOREX bird netting, with a mesh size of 1-1/2 inch, will be fabricated off-site by the vendor to specifications based on the dimensions of the pond, and delivered to the Facility for installation. The TOREX netting will be spread across the cable grids, and attached along the pond perimeter to a perimeter cable. A top cable grid will be installed above the TOREX netting to sandwich the netting between the bottom and top cable grids. A similar cable support system will be installed for #5A Sludge Containment, except that the cable ends will attach to a perimeter frame instead of the anchors.

A sliding frame will be installed at #5 Pond in order to provide periodic access for clean-out or other purposes. The sliding frame will be installed in accordance with the vendor's instructions (see Attachment 1). A sliding frame also will be installed in accordance with the vendor's instructions (see Attachment 1) at #5A Sludge Containment to facilitate open access to #5A Sludge Containment to allow the placement of materials into #5A Sludge Containment and to facilitate periodic access for clean-out or other purposes. In addition, a horizontal personnel gate at the west end of #5 Pond will be installed that will open a hole (approximately 6-foot square) for entry by personnel.

#### 4. Health and Safety

This project will be conducted in accordance with all applicable laws and regulations, including OSHA requirements. WCI and its contractors will follow WCI's standard health and safety protocols for such operations, including but not limited to protocols applicable to crane operations and pipe welding.

#### 5. Miscellaneous

During installation of the netting system, the existing deterrent measures at #5 Pond and #5A Sludge Containment may be removed or relocated so as not to interfere with the installation activity.

#### 6. Reporting

WCI will provide periodic progress reports of this project in accordance with the reporting requirements of the Consent Decree.

## Coastal Netting Systems

800 726-3354

October 14, 2006

(Revised November 8, 2006)

Mike O'Hara  
Stevens Painton Corporation  
7850 Freeway Circle, Suite 100  
Middleburg, Ohio 44130

Re: Bird Netting Installation for WCI Steel – Ponds 5 & 5A

Dear Mike:

Here is a synopsis of the estimated work details Stevens Painton will be performing to install the bird deterrent netting system materials to supplied by Coastal Netting to WCI Steel:

Install approximately 360 ground anchors along the perimeter of Ponds 5 & 5A. Pond 5 will require anchors approximately 6 Ft. on centers to be augured and then pounded into the ground with a jack hammer before setting each anchor with a load locker. The ground anchors to be installed along the perimeter of Pond 5A will likely not require drilling holes prior to pounding into the berm of the pond with a jack hammer. The purpose of the ground anchors for Pond 5A is to stabilize the 16 Inch diameter steel pipe that will be installed around the perimeter of the pond. The ground anchors will have 6 Ft. long all-thread anchor rods with a threaded eye thimble nut screwed on the top. In the event any anchors do not reach the full depth of the anchor rod and the anchor will test with the load locker, the anchor rod can be cut-off at ground level and the eye thimble screwed on. For Pond 5, the ground anchors are to be installed approximately 30 to 40 degrees from vertical with the anchor heads away from the pond perimeter and the eye thimbles at ground level near the pond perimeter. For Pond 5A the ground anchors will be driven straight down or 90 degrees from the top of the pond berm.

3/8 Inch diameter cables are to be installed 6 Ft. on centers across the width and then the length of Pond 5 and attached to the threaded eye thimble to form 6 Ft. square cable grids across the pond. The bird netting will be delivered in one piece sized to fit Pond 5. It will be layed along the north side of Pond 5 and pulled across to the south side of Pond 5 with ropes provided by Coastal. You will have one or more Coastal technicians on site when the netting is installed. Once the netting is lying over the 3/8 Inch cable grids, you will install a top cable grid of 3/16 Inch to sandwich the netting between the bottom and top cable grids. The netting is attached only along the pond perimeter to a perimeter cable.

## Coastal Netting Systems

800 726-3354

Pond 5 will require (4) 10 Ft. AGL (above ground level) + 14.5 Ft. embedment steel poles to be installed in 3.0 Ft. diameter borings and backfilled with 3.1 C/Y of 2,500 PSI ready-mix concrete. The steel poles are 16 Inches diameter and will support a near ground level cable (3/4-Inch diameter) to frame the opening in the bird netting to be used for clean-out and another cable (also 3/4-Inch diameter) to support the sliding frame to cover the opening in the bird netting. All references to 8.625 X .188 Inch wall pipe used in the pond openings are now changed to 10.75 X .219 Inch wall pipe.

There will be no requirement(s) for field welding of any pipe sections to be utilized either as a sliding gate or perimeter railing as each pipe section is flanged for bolt connection. Touch up black coating will be provided for touch up after assembling the pipe sections.

All holes in both the 10.75 Inch & 16 Inch pipe will be pre-cut and the bolts and cable support hardware will be installed prior to shipment to WCI. Additionally the angle iron rail on top of the 16 Inch diameter perimeter pipe will be installed in our plant prior to shipment to WCI.

Pond 5A will require cabling similar to Pond 5 except the cable ends will attach to eyes in the 16 Inch diameter pond frame instead of the anchor thimble eyes. The ground anchors on Pond 5A will be driven in the top of the pond berm to hold the 16 Inch pipe perimeter frame in place.

Assembly will require up to two cranes to lift the 16 Inch diameter pipe frame on top of Pond 5A. The completed frame weighs approximately 22,000 Lbs. Each of the (2) sliding frames, (1) for Pond 5A & (1) for Pond 5, will weigh approximately 15,000 Lbs. The crane capacity should be calculated with the required setting distances from the pond banks taken into consideration.

WCI (Steven Painton) will be responsible for leveling (and compacting if necessary) the berm around Pond 5A so the perimeter 16 Inch diameter pipe is installed level and on a sound foundation. Ground anchors are to be installed along the perimeter of Pond 5A to prevent the 16 Inch diameter perimeter railing from shifting or moving when installed.

We have intentionally not addressed the personal access issue on the west end of Pond 5, however it will be relatively simple to provide a horizontal personnel gate at the top of the stairway that will open a 6 Ft. square hole in the netting with ease.

Please contact Ken Jones with questions, field changes or problems during the course of the installing the netting systems.

# **STATEMENT OF WORK**

## **EXHIBIT 2**

### **FIRE RISK MANAGEMENT PLAN**



**WCI Steel, Inc.**

**#5 Pond – Fire Risk Management Plan**

**Introduction**

WCI has developed this written Fire Risk Management Plan based on EPA concerns related to previous fires at #5 Pond (i) to memorialize certain practices and procedures relating to the management of potential fire risk at #5 Pond due to the presence of combustible materials (such as methane, which can become trapped beneath and accumulate in the scum that forms on the top of #5 Pond), and (ii) to address certain obligations of a (proposed) Consent Decree between WCI and EPA.

**Control of Combustible Materials**

- A barrel skimmer (or similar device) will be operated at #5 Pond for the removal of surface scum in order to minimize the potential for methane (and other combustible materials) to become trapped. If the barrel skimmer (or similar device) is not operable for more than 72 hours, steps will be taken to remove surface scum as needed to prevent the accumulation of scum on the surface.
- Emerging vegetation will be removed periodically from the banks and sides to #5 Pond to eliminate a potential combustion source.
- Testing for LEL above the surface of #5 Pond will be conducted using a vapor monitoring device periodically. For the first six months following entry of the (proposed) Consent Decree, LEL testing shall be performed monthly; thereafter, monthly LEL testing may be eliminated (subject to the continuing obligation to conduct LEL testing in connection with "hot work") with the concurrence of EPA.
- Testing for LEL above the surface of #5 Pond also shall be conducted prior to initiating any "hot work" at #5 Pond in accordance with "Hot Work Permit" procedures.
- All surface scum will be removed, to the extent practicable, prior to the initiation of any hot work at #5 Pond, except during emergency repairs (in which event LEL testing will be conducted as provided in the preceding bullet, and the local fire department will be called as set forth under Control of Ignition Sources below).

**Control of Ignition Sources**

- "No smoking" signs shall be posted at #5 Pond. No smoking will be permitted at #5 Pond.
- Signs indicating that "Hot Work Permit" procedures are applicable to work conducted at #5 Pond shall be posted.

- Before initiating any "hot work" at #5 Pond, the WCI safety department shall be contacted to assure that all "Hot Work Permit" procedures are followed in connection with such activities, including a requirement that the personnel conducting "hot work" have one or more fire extinguishers on hand during any "hot work".
- In addition to other requirements of WCI's "Hot Work Permit" procedures, the local fire department will be called and asked to be on "stand-by" during any "hot work" at #5 Pond.
- If conductive materials are used as part of a bird exclusion netting system at #5 Pond, adequate grounding shall be provided (to address the possibility of lightening strikes) to the extent and in the manner recommended by the netting system manufacturer/vendor.

### **Emergency Procedures**

- #5 Pond is located within Howland Township. Therefore, the local emergency first responder in the event of a fire at #5 Pond is currently the Howland Township Fire Department (856-5022). [Other areas of the plant and offices are covered by the Warren Township Fire Department and City of Warren Fire Department.]
- WCI's standard protocol for handling fire emergencies shall be followed in the event of a fire at #5 Pond. This standard protocol currently includes the following procedures applicable to #5 Pond:
  - Any employee confronted with a fire emergency must call Security (main gate: ext. 8444); if there is no answer, the employee calls 911.
  - It is the responsibility of Security to contact local emergency responders as needed and to direct the responders to the appropriate plant gate and to the location of the fire upon arrival.
  - If the fire is extinguished such that local emergency responders are not needed, the employee is to call the Howland Township Fire Department to report the location of the fire and that it has been extinguished. Security is to be notified that the fire department was called and that no emergency exists.
- WCI will periodically review and update the location of nearby fire extinguishers or other firefighting equipment (such as fire hydrants) available to employees or emergency responders in the event of a fire at #5 Pond. Two in-plant fire hydrants are located approximately 600 feet from #5 Pond. An off-site fire hydrant is also located approximately 700 feet from #5 Pond, across the river on South Main Street. The current locations of nearby fire extinguishers and the above-described fire hydrants are shown on the attached drawing. As noted above, personnel conducting "hot work" at #5 Pond will have on hand one or more fire extinguishers during any "hot work" at #5 Pond, in accordance with standard "hot work" procedures.

- The Safety department (ext. 8894 or 8268) shall be notified of any fire at #5 Pond as soon as practicable. The Safety department will notify the Manager – Environmental (ext. 8200) of any fire at #5 Pond and assist in the preparation of the written post-incident reports as set forth below under “Notifications and Reporting”.
- Security and/or the Safety department are WCI’s lead representatives during any fire incident and response thereto.

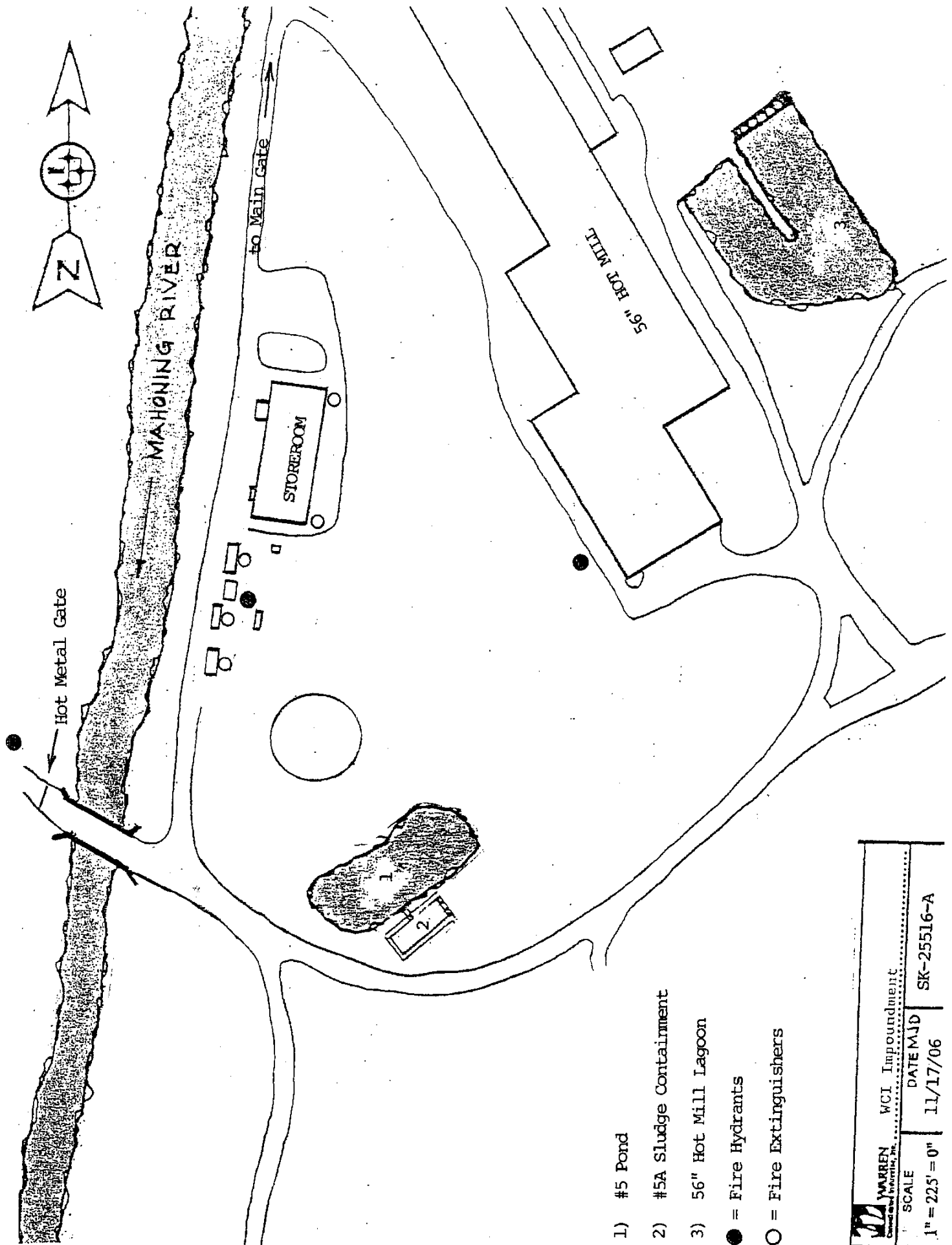
### **Notifications and Reporting**

During the pendency of the Consent Decree between WCI and EPA, pursuant to which WCI is required to maintain a written Fire Risk Management Plan containing the minimum elements set forth in the Statement of Work attached to the Consent Decree, WCI shall perform the following notifications and reporting:


- Results of LEL vapor monitoring shall be included with the Monthly Impoundment Reports next due following receipt of the LEL vapor monitoring results.
- In the event of a fire at #5 Pond, whether or not local responders were called to the plant, a written post-incident report containing the following information shall be prepared:
  - Date, time and duration of the fire
  - Description of the fire, including size and what burned
  - Weather at the time of the fire
  - Ignition source and cause of the fire, if known
  - Circumstances leading to the fire
  - Response actions taken, including identification of responders summoned, actual responders, and equipment used
  - Description of injuries caused by the fire, if any
  - Recommended actions to prevent future fires or exposures to future fires
- A copy of the written post-incident report shall be provided to the Manager – Environmental and to the Safety – Supervisor. The Manager – Environmental shall assure that a copy of the post-incident report is submitted to EPA, Ohio EPA, and local emergency response agencies (fire and police departments) in accordance with the Consent Decree.

### **Training**

- Training of all persons, including outside contractors, performing work at or in close proximity of #5 Pond shall include instruction regarding fire risk management at #5 Pond. Training shall include providing the individual with a copy of this Fire Risk Management Plan, reviewing the Fire Risk Management Plan, reviewing the “Hot Work Permit” procedures, and reviewing the steps to be taken in the event of a fire.



- 1) #5 Pond
- 2) #5A Sludge Containment
- 3) 56" Hot Mill Lagoon
- = Fire Hydrants
- = Fire Extinguishers

 <b>WARREN</b> Construction, Inc.	WCI Impoundment DATE MJD 11/17/06 SK-25516-A
SCALE 1" = 225' = 0"	

# **STATEMENT OF WORK**

## **EXHIBIT 3 OIL MANAGEMENT PLAN**

**WCI Steel, Inc.**

**56" Hot Strip Mill - Oil Management Plan**

**A. Objectives**

1. Manage oils and lubricants used on the 56" Hot Strip Mill (HSM) to minimize releases and losses from oil unloading operations and from mill process and maintenance operations to the 56" HSM scale pits.
2. Manage operations at the 56" HSM scale pits to maximize capture and minimize releases of oils and lubricants to the 56" Hot Mill Lagoon.
3. Manage operations at the 56" Hot Mill Lagoon to minimize surface accumulations of residual 56" HSM oils and lubricants.

Each aspect of 56" HSM operations involving oils and lubricants is addressed below.

**B. Oil Management Plans**

**1. Oil unloading/loading operations**

- Oil delivery truck weighed upon entry to mill
- Truck driver contacts foreman or mechanical expeditor. Type of oil is verified to ensure oil gets delivered to correct system.
- Foremen or expeditor contacts MTM (mechanical technician maintenance) operator responsible for designated oil system.
- Truck positioned at correct unloading station.
- Truck driver follows trucking company procedures for safe operation for oil delivery (e.g., wheels chocked).
- Unloading connections made and checked.
- Radio communications established between MTM operator and delivery truck driver before unloading begins. MTM operator signals when tank loaded to desired level.
- Truck unloading valves closed and checked; unloading connections disconnected. Unloading lines blown back to tank before hose disconnect.
- Checks for oil releases and clean-up initiated as necessary.

- Delivery complete.
- Trucks weighed upon exit from mill to establish basis for calculation of pounds or number of gallons of oil delivered.

## **2. Oil cellars**

- Oil cellars are inspected by WCI Steel MTM operators at least once during each operating turn (8-hour shift) and normally twice during each operating turn; and, at least once per turn when the mill is down.
- Inspections include:

Oil levels in each tank. MTM operators record tank levels on a turn chart for each tank. Chart levels are monitored for changes. Increasing tank levels indicate water leaks into the oil systems associated with that tank. Decreasing tank levels out of the ordinary indicate leak or unusual loss of oil in the system. When unusual changes in tank levels observed, MTM operators will identify the mill stand and oil system and schedule repairs for the next roll change or mill down turn as appropriate. MTM operators will notify supervisor immediately in the event of a catastrophic oil loss that could threaten mill operations or mill equipment. Situation is evaluated immediately and mill can be shut down to prevent further loss or damage to mill equipment.

Oil supply pumps operating pressures. MTM operators monitor oil supply pump operating pressures to ensure proper operating of the oil systems. Maintenance or change-out of pumps scheduled as necessary in addition to scheduled routine preventative maintenance.

Sump pumps. MTM operators check that sump pumps are operational to ensure accumulated liquids are pumped to the mill flume. Maintenance or change-out of pumps scheduled as necessary in addition to scheduled routine preventative maintenance.

- Response to major losses within oil cellars:

MTM operators locate and stop source of leak or tank overflow.

MTM operators isolate oil cellar by shutting off sump pump when feasible.

Call vacuum truck contractor or use on-site equipment for emergency removal at oil cellar and in scale pit as necessary (contractors or on-site equipment available 24 hours per day, seven days per week).

**Current Contractor Contact Information:**

**Duke Sanitary Services**

Cell phones: 330-770-6569  
330-770-6570  
Office: 330-856-3129

Industrial Air Control, Inc. Cell phones: 330-772-6718  
330-772-7045  
Office: 330-448-7980

MTM operators are responsible for clean-up using mill personnel or contractors and for making permanent repairs to prevent recurrence of leak or tank overflow.

### 3. 56" Hot Strip Mill

Oil feed lines (back-up and work rolls prior to installation on mill stands)

- Check condition of all oil feed line fittings on all back-up rolls and work rolls prior to installation on mill stands. Inspect and replace if necessary. Use Teflon tape (or equivalent material) to seal fittings and prevent leaks.
- Check condition of all oil return line fittings on all back-up rolls and work rolls prior to installation on mill stands. Inspect and replace if necessary. Use Teflon tape (or equivalent material) to seal fittings and prevent leaks.
- Check condition on all thrust bearing feed line fittings on all back-up rolls and work rolls prior to installation on mill stands. Inspect and replace if necessary. Use Teflon tape to seal fittings and prevent leaks.

**Oil feed lines** (finishing mill stands – after installation on mill stands but prior to rolling operations)

- Lock out all finishing mills (F-1 through F-6).
- Check feed line to drive side thrust bearing ( $\frac{3}{4}$ " hose).
- Check feed line to drive side back-up chock (1  $\frac{1}{2}$ " hose).
- Check feed line to operating side back-up chock (1  $\frac{1}{2}$ " hose).
- Check all feed hoses top and bottom back-up; make sure hose is connected properly and there are no leaks.
- Check all drain lines top and bottom back-up rolls; make sure all are connected properly and there are no leaks.



#### Roll Changes

- To the extent possible, position oil hoses vertically when disconnected to allow drainage to oil tanks in oil cellars and to minimize oil releases to flume.

#### Roll seal maintenance

- Inspect roll seals at each roll change for wear, breakage, improper alignment.
- Replace seals as necessary to ensure proper operation and minimize oil losses during rolling operations.

#### Oil lines/hoses

- Repair significant leaks and line breaks during next roll change or down turn as appropriate.
- Call for mill outage for catastrophic losses that could result in damage to mill equipment and extensive loss of oil.
- Oil hoses on the 2-high, 4-high and finishing mills were replaced during the period April to June 2006. Replacement in the future dependent upon results of scheduled preventative maintenance conducted at approximately six-month intervals.

#### **4. Nos. 1 and 2 Scale Pits**

- MTM operators check each scale pit at least once per turn for accumulation of oil and mill scale and operation of the oil skimmers.
- MTM operators ensure at least one (1) oil skimmer and normally two (2) oil skimmers are operating on a 24 hours per day, 7 day per week basis, including during mill maintenance operations.
- Maintenance on the oil skimmers and scale pit pump platforms as follows when necessary and before onset of cold weather each year:
  - a. Remove grease and debris from pump platforms.
  - b. Steam clean platforms including recovered oil holding tanks.
  - c. Steam clean grease from pumps, keeping steam/water from motors.
  - d. Steam clean oil skimmer and oil skimmer parts (pipes, skimmer ropes, gearboxes, etc.).

- e. Replace wipers and rope guides as necessary, and replace oil in the reductions (5 quarts of 30W oil for each skimmer).
- f. Ensure heaters and heat tracing are working electrically on the oil skimmer hoppers and piping leading to the recovered oil tanks.
- g. Start up skimmer and if skimmer rope is not clean after passing through wipers, adjust wipers to ensure rope is clean after passing through wipers.

Note: Water for the steam cleaner is general service water.

- When excess oil is observed on the scale pits, the WCI Steel MTM operator shall call vacuum truck contractor or utilize on-site equipment to remove excess oil (contractors or on-site equipment available 24 hours per day, seven days per week):

### Current Contractor Contact Information

[illegible]

Industrial Air Control, Inc. Cell phones: 330-772-6718  
330-772-7045  
Office: 330-448-7980

- Mill scale will be removed from the scale pits on an as needed basis based on production schedule, generally once or twice per week. Removal is by a diesel/electric crane and clamshell. Scale is transferred to the scale storage area at Hekett Multiserve for sale (or recycled off-site in a similar manner).

## 5. 56" Hot Mill Lagoon

## Oil Control

- The 56" Hot Mill Lagoon will be inspected daily during operating turns for accumulation of oil sheens by the WCI Steel MTM operator, and on a regular schedule by Duke Sanitary Services (or a comparable service provider) under direction of the Environmental Control Department to provide coverage throughout the week. When significant oil sheens are observed on any day at a location where it is possible to remove the sheens by vacuum truck, the MTM operator or Duke Sanitary Services (or a comparable service provider) will call the vacuum truck operator or utilize on-site equipment to remove the sheens (contractors or on-site equipment available 24 hours per day, seven days per week):

Current Contractor Contact Information

Duke Sanitary Services	Cell phones: 330-770-6569 330-770-6570
	Office: 330-856-3129
Industrial Air Control, Inc.	Cell phones: 330-772-6718 330-772-7045
	Office: 330-448-7980

- The oil skimmer at the 56" Hot Mill Lagoon will be operated on a 24 hour per day 7 day per week basis except when maintenance is performed on the skimmer or maintenance is performed on the lagoon such that the skimmer cannot be operated.
- Weekly preventative maintenance includes:
  - a. Lockout and tryout.
  - b. Grease three (3) points on rollers for skimmer belt.
  - c. Check oil in reduction for belt skimmer.
  - d. Check all rollers, belting structure and scrapers; adjust as necessary to ensure effective oil removal.
- Maintenance and cleaning on the oil skimmer performed when necessary and before onset of cold weather each year includes:
  - a. Remove grease and debris from platforms and recovered oil holding tank.
  - b. Steam clean grease from pumps, keeping steam/water from motors.
  - c. Steam clean oil skimmer and oil skimmer parts (pipes, skimmer belt, gearboxes, etc.).
  - d. Replace wipers and belt guides as necessary, and replace oil in the reductions.
  - e. Ensure heaters and heat tracing are working electrically on the oil skimmer hopper and piping leading to the recovered oil tank.
  - f. Start up skimmer and adjust belt wipers to ensure belt is clean after passing through wipers.

### Solids Removal

- During 2007, WCI Steel will remove accumulated solids from the entire 56" Hot Mill Lagoon and modify the configuration of the banks of the Lagoon to provide for steep sides for purposes of further deterring bird walk-ins. Details of the full scale solids removal project are described separately in the Sludge Removal Plan. Maintenance solids removal will be conducted on an annual basis thereafter at the entry and exit ends of the Lagoon.
- Soundings in the Lagoon will be conducted every two to three years. Full scale dredging of the entire Lagoon bottom will be conducted if and as needed to ensure no more than minimal oil accumulations on the surface of the Lagoon from settled sediments in light of the annual maintenance dredging, as determined by the results of the soundings (i.e., sediments have accumulated beyond the entry and exit ends to an extent that can be dredged) and the daily oil inspections at the Lagoon.
- The solids will be disposed of in compliance with any applicable federal, state, or local laws, regulations or permits.

## **6. Oil consumption tracking**

Oil consumption will be monitored as follows:

### Turn basis

Tank levels in oil cellars are recorded on turn sheets to monitor oil consumption and water leaks into the oil systems. Results are reviewed and corrective actions taken as determined necessary, for example, based on unusually high oil consumption or excessive water entering the oil systems (see No. 2 – Oil Cellars).

### Monthly Basis

Costs of monthly oil and lubricant purchases are used as surrogates (markers) for monthly oil consumption. Costs for oils and lubricants are obtained monthly from the WCI Steel Purchase Order Cost Analysis System. The cost data are plotted on a trailing twelve month basis with monthly 56" HSM production (tons rolled). Monthly results can be reviewed on an absolute basis and on a dollars per ton (\$/ton) basis to evaluate trends. The results can also be used in conjunction with the daily turn sheets noted above to target areas with unusually high oil consumption for further review.

# **STATEMENT OF WORK**

## **EXHIBIT 4 SLUDGE REMOVAL PLAN**

## WCI Steel, Inc.

### 56" Hot Mill Lagoon - Sludge Removal Plan

#### Introduction

WCI Steel, Inc. (WCI) has prepared this Sludge Removal Plan (Plan) for the 56" Hot Mill Lagoon (Lagoon) as one component of a proposed Consent Decree between WCI and EPA. All work pursuant to this Plan will be conducted in accordance with the Consent Decree, in compliance with applicable EPA regulations, guidance and policies (if any), and under the general direction and supervision of WCI's Project Coordinator or Alternate Project Coordinator. A copy of both the Plan and the Consent Decree will be provided to the third-party contractor(s) retained by WCI to perform the work set forth herein.

#### 1. Objective and Scope of Work

WCI will dredge the entire Lagoon for the following purposes: (a) To remove the accumulated solids generated from 56" HSM operations, including the removal of oily material from the sides and bottom of the Lagoon; and (b) To cut the banks of the Lagoon to near-vertical slopes to help deter birds from walking into the Lagoon.

#### 2. Schedule

WCI will complete the removal of sludge by not later than **May 31, 2007**. WCI anticipates the dredging project may commence as early as March 2007, and estimates the dredging project will require three to four weeks of active dredging once site preparation is completed. Dredging operations are planned for a five to six day per week schedule, weather permitting.

#### 3. Sludge Removal

Dredging will be conducted while the 56" HSM is operated on its normal production schedule. Dredging will be accomplished with a floating hydraulic dredge (Mud Cat dredge), beginning from the entry end of the Lagoon and continuing to the exit end (see Figure 1). All accumulated solids will be removed to the extent practicable using dredge technology and with consideration of preventing damage to the clay liner at the bottom of the Lagoon. Material removed from the Lagoon will be treated with polymer (as established by the vendor) and pumped into Geotubes® that will be located on a 470' x 220' lay-down area covered with a 20-mil plastic liner (see Figure 1). The lay-down area will be graded (sloped toward the Lagoon) and bermed on three sides with one or more openings at the Lagoon end. Material pumped into the Geotubes® will dewater and the drainage will be directed back to a small section of the Lagoon that will be fitted with absorbent booms to collect any oil sheens that may be discharged from the Geotubes® as they dewater (see Figure 1). Water from the dewatering process will be recycled with recirculating process water flow for the 56" HSM. The dredging will be conducted by a WCI contractor.

#### 4. Cutting Lagoon Banks

As the dredging described above proceeds, heavy equipment (e.g., backhoe) will be used to remove the oil-stained banks of the lagoon (typically one to two feet back from the water surface) and to cut new, near-vertical banks for purposes of deterring bird walk-ins. The bank material removed will be solidified if necessary and transported for disposal to any location allowed by law. The Lagoon water level may be lowered to minimize moisture in the bank material to be removed. This aspect of the project will be completed by a contractor or WCI

personnel. The Lagoon's goose exclusion line will be removed and replaced in sections as the project proceeds to minimize the potential for bird walk-ins.

#### 5. Landfill Disposal of Geotubes®

Following completion of the sludge removal project required pursuant to the Consent Decree, WCI anticipates it will take two or more months for the Geotubes® to dewater to the point where the collected solids can be landfilled without significant excess moisture (due to restrictions applicable to landfill disposal). The material collected will be loaded into dump trucks by pay loader for disposal in WCI's on-site residual waste landfill or other location allowed by law. If excess moisture is still present, the collected material will be mixed with BOF slag fines, BOF precipitator dust or other similar drying material. Upon completion of the sludge removal and Geotube® dewatering, used Geotubes®, the plastic liner for the Geotube® lay down area and any miscellaneous waste materials will be removed and disposed of at any location allowed by law. Landfill disposal will be completed not later than December 31, 2007.

#### 6. Environmental Precautions

The following work practices will be followed during the Lagoon dredging project to minimize the potential for environmental releases:

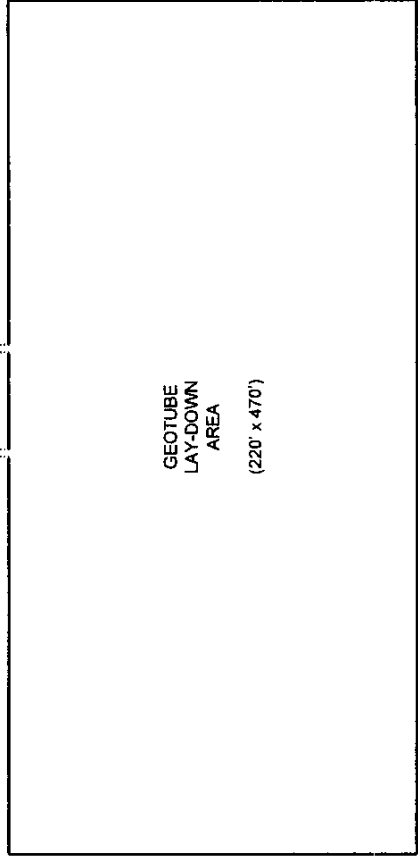
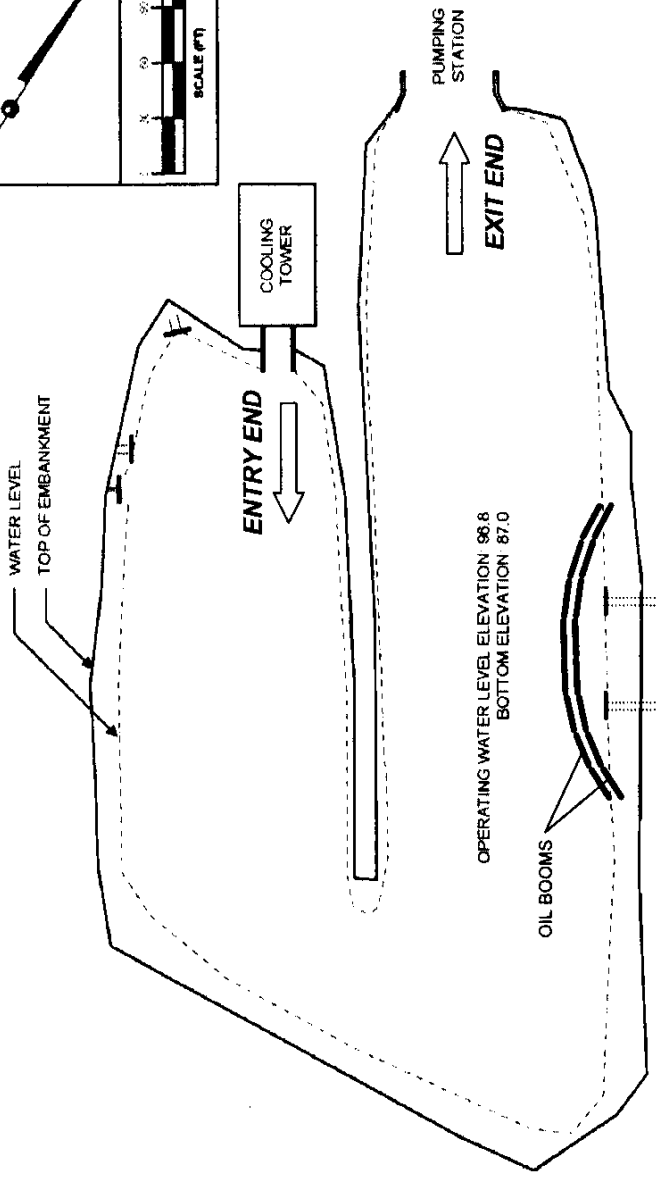
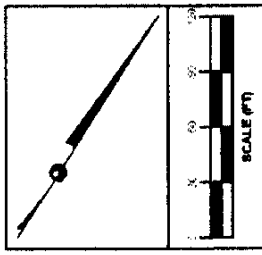
- Existing oil control/oil removal operations at the 56" Hot Mill Lagoon will be maintained (e.g., operation of the oil skimmer and vacuuming of oil sheens).
- Oil booms will be deployed in the small area of the Lagoon where drainage from the Geotubes® will enter the Lagoon to collect any oil sheens that may develop from dewatering Geotubes®.
- A contract oil removal firm will be on 24-hour call to deploy and remove oil collecting behind the booms to the extent practicable and to perform any out-of-the-ordinary oil removal actions at the Lagoon as necessary.
- To minimize the potential for elevated discharges of total suspended solids or oil & grease to the Mahoning River, dredging in the vicinity of the discharge to Outfall 603 will be conducted when the flow to Outfall 603 is shut off or when the Lagoon level is so low that a discharge could not occur. This may occur during planned 56" HSM mill outages or when the mill is operated.
- The sludge and bank cuttings will be disposed of in compliance with any applicable federal, state, or local laws, regulations, or permits.

#### 7. Health and Safety

This project will be conducted in accordance with all applicable laws, including OSHA. WCI and its contractors will follow WCI's standard health and safety protocols for such operations.

#### 8. Reporting

WCI will provide periodic progress reports of this project under the reporting requirements of the Consent Decree.

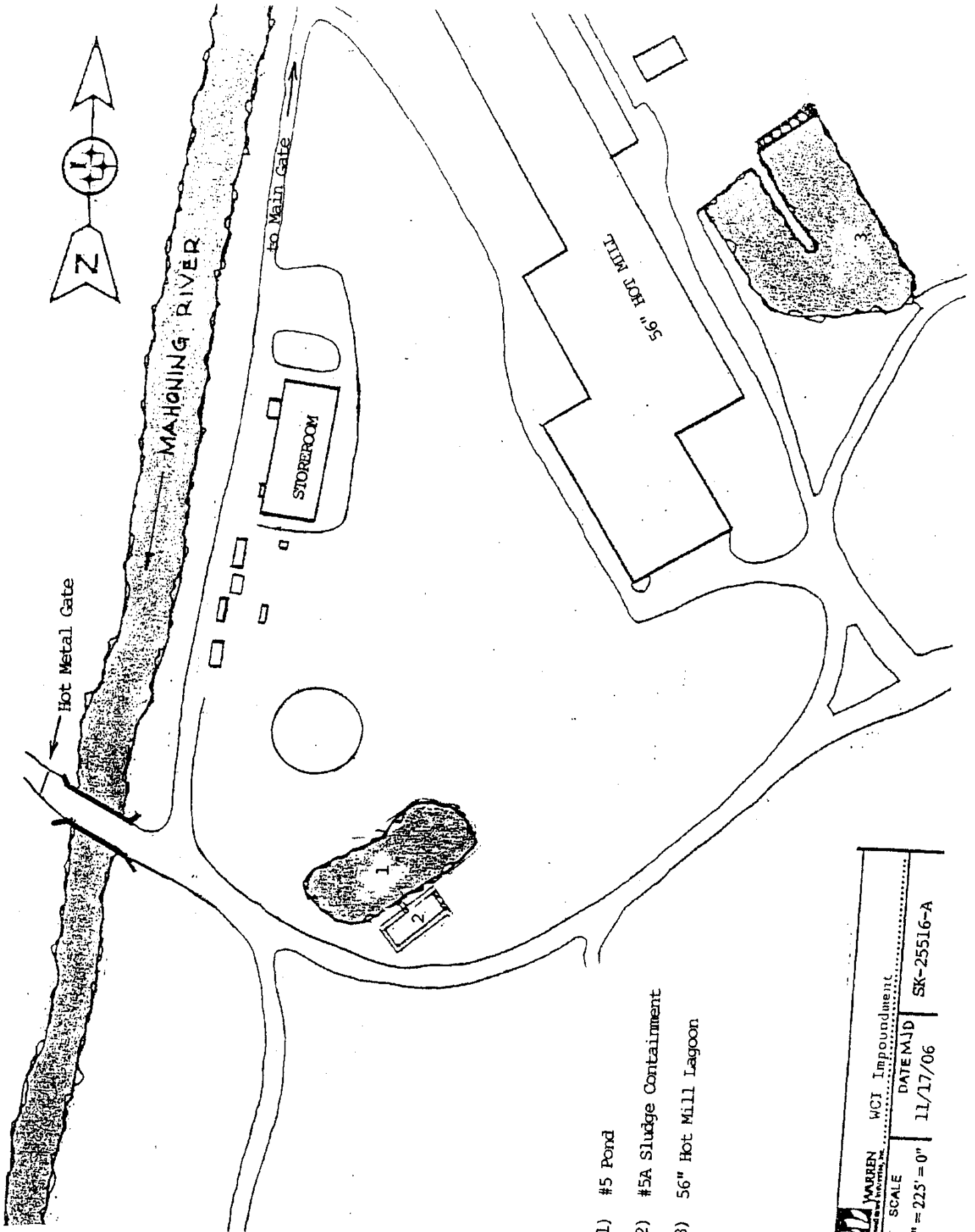


<b>WCISTEEL</b> WARREN, OH	
56" MILL RESERVOIR AERIAL VIEW AND ESTIMATED VOLUME WITH GEOTUBE LAY-DOWN AREA	REVISION 0.0 No. AEI-1010-01 10/13/2006 AMENDOLA ENGINEERING INC.



# **APPENDIX B**

## **FACILITY MAP**



- 1) #5 Pond
- 2) #5A Sludge Containment
- 3) 56" Hot Mill Lagoon

<b>WARREN</b> <small>Construction &amp; Industrial</small>	WCI Impoundment	
	SCALE	DATE MJD
1" = 225' = 0"	11/17/06	SK-25516-A